

Hand sanitizer costs Toronto \$645,000

Single Source Deal; Nearly twice the going rate to give workers four each

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The city paid nearly double the normal rate for hand sanitizer when it bought multiple bottles for all staff in a rush purchase during the first wave of the H1N1 epidemic, outraged councillors said yesterday.

Councillor Cesar Palacio (Davenport) questioned whether the city got the best price by placing a \$645,645 (including tax) single-source order at the height of the crisis when it didn't even need the bottles immediately.

Summoned to explain the order, city purchasing staff told a council committee they spent \$539,000 on 208,320 bottles of sanitizer, enough to give 50,000 workers up to four bottles each.

Mr. Palacio checked with various suppliers and did the math: "Each case has 36 bottles of 115 ml. The city bought it at \$74 a case. Now if the same amount was bought by a manufacturer, the cost would have been reduced to \$55.80, and that meant \$1.50 a bottle as opposed to \$2.59 the city paid.

"The city could have bought all this hand sanitizer for \$322,000, instead of \$565,000 [including tax], and that means we could have saved \$217,000 for taxpayers if the city had gone to a manufacturer instead of a wholesaler or retailer."

The order for Coloplast Isagel brand antimicrobial gel from wholesaler Guillevin International Co. was placed last April, but the individual bottles only started landing on desks in the past few weeks as the second wave of H1N1 struck. Another \$77,112 was spent on 12,000 larger 354 ml pump bottles.

Some councillors questioned why the city needs to supply workers with individual bottles of disinfectant at all.

Councillor Karen Stintz (Eglinton Lawrence) called the decision "insanity."

"It's one thing to put bottles of sanitizer at the front door where people are walking through and in the kitchens and the washrooms where people should be reminded to wash their hands frequently. There is no reason that every single employee should have received hand sanitizer," she said.

Rob Andrusovic, a spokesman for the city, said the purchase cost was a result of supply and demand. When the order was placed in April, Toronto had to take what it could get.

"We paid a market-value price based on what was happening at that time," he explained. "H1N1 was prevalent globally so essentially when the city went out to look for hand sanitizer we found that many of our vendors were out and could not meet the quantity the city was looking to obtain. That was a key reason for the sole-sourcing was they had to move quickly and secure the size of supply that we needed and make sure we had it."

Toronto council approved a \$5.5-million pandemic preparedness plan last spring for supplies ranging from Tamiflu to protective gear to the hand sanitizer. Mr. Andrusovic said the Medical Officer of Health recommended outfitting every employee with their own bottle of disinfectant gel as a flu prevention tactic.



Peter J. Thompson, National Post

Constituency assistant Stephanie Ford shows some of the hand sanitizer bottles purchased for city hall employees.

"Staff and the public need easy access to hand sanitizer to reduce the transmission of influenza. An individual bottle is something that a staff person could take with them on the job, so it's not locked to a specific location," he said. "Some people work at different locations, some people work out in the field, so a communal station may not be an option for them. Individual containers also allows someone to use it as they need it and have quick access to it."

Councillor Doug Holyday (Etobicoke Centre) said he is not happy with the large expenditure, but "hindsight is 20/20."

"If the pandemic had broken out in a different way and a lot of people were sick and we didn't have it, I guess we'd be hearing the other side of the coin here," he said. "You're damned if you do and damned if you don't."

Still, he questioned the necessity of the huge quantity bought and wondered whether it will all get used.

"I think you could, first off, make it available for those who will use it. Some people aren't even going to use it. They're going to end up probably throwing it in the desk drawer and when they retire we'll find it there," he predicted.

"Next week they're supposed to be back with more... If you want to have a refill, at least make you do something like bring back the empty bottle or something."