



BID AWARD PANEL CONTRACT AWARD

Award of RFQ No. 1004-18-0242 to Workplace Resource for the non-exclusive supply, delivery, and installation of new Herman-Miller Action Office (AO) series workstations

Date: January 24, 2019
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: All

RECOMMENDATIONS

The Chief Purchasing Officer recommends that the Bid Award Panel grant authority to award the following contract:

Call Number:
RFQ Number 1004-18-0242

Description:

The non-exclusive supply, delivery, setting-in-place, installation and removal of any debris of new Herman-Miller Action Office (AO) series workstations, components and accessories or approved fully compatible with the original Herman-Miller Action Office (AO) series equivalent, including availability of all the parts to various locations throughout the City of Toronto, for the Facilities, Real Estate, Environment & Energy Division and other City Divisions as and when required for a period of one (1) year from date of award, with the option to renew for an additional and separate four (4) one year periods.

Should the option(s) be exercised, then the Acting Director, Facilities Management will request the Chief Purchasing Officer to process the renewals under the same terms and conditions.

Recommended Bidder:

Workplace Resource

Contract Award:

\$ 1,401,619 net of all applicable taxes and charges (Incl. 15% for misc. items)
\$ 1,583,830 including all applicable taxes and charges
\$ 1,426,288 net of HST recoveries

Contract is expected to start on date of award and end on January 24, 2020.

Option Year 1: January 25, 2020 to January 24, 2021
\$ 1,443,668 net of all applicable taxes and charges
\$ 1,631,345 including all applicable taxes and charges
\$ 1,469,076 net of HST recoveries

Option Year 2: January 25, 2021 to January 24, 2022
\$ 1,486,978 net of all applicable taxes and charges
\$ 1,680,285 including all applicable taxes and charges
\$ 1,513,149 net of HST recoveries

Option Year 3: January 25, 2022 to January 24, 2023
\$ 1,531,587 net of all applicable taxes and charges
\$ 1,730,693 including all applicable taxes and charges
\$ 1,558,543 net of HST recoveries

Option Year 4: January 25, 2023 to January 24, 2024
\$ 1,577,535 net of all applicable taxes and charges
\$ 1,782,614 including all applicable taxes and charges
\$ 1,605,299 net of HST recoveries

The total potential award amount including all option years for contract award is \$7,572,355 net of HST recoveries, \$8,408,767 including all applicable taxes and charges and \$7,441,386 net of all taxes and charges.

The above cost calculations for the Option Years reflect an estimated 3% increase in the Consumer Price Index (CPI).

FINANCIAL IMPACT

The total potential contract award identified in this report, including all option years, is \$8,408,767 including all applicable taxes and charges. The total potential cost to the City, including the option years is \$7,572,355 net of HST recoveries.

Sufficient funding is available in the 2019 Recommended Operating Budget for Facilities, Real Estate, Environment and Energy Division. Additional funding will be requested in the 2020 Operating Budget Submission for Facilities, Real Estate, Environment and Energy Division.

Should the City choose to exercise its option(s) to renew for the four (4) additional and separate one (1) year periods, then appropriate additional funding, if needed, will be included in 2020-2024 Operating Budget Submissions for Facilities, Real Estate, Environment & Energy Division. Funding details are provided in Table 1 to follow:

Table 1: Financial Impact Summary of Recommended Contract (Net of HST Recoveries)

Cost Elements & G/L Accounts	Base Period Date of award to January 24, 2020 (net of HST recoveries)	Option Year 1 January 25, 2020 to January 24, 2021 (net of HST recoveries)	Option Year 2 January 25, 2021 to January 24, 2022 (net of HST recoveries)	Option Year 3 January 25, 2022 to January 24, 2023 (net of HST recoveries)	Option Year 4 January 25, 2023 to January 24, 2024 (net of HST recoveries)
C/E: FA100 G/L: 4424	\$1,426,288	\$1,469,076	\$1,513,149	\$1,558,543	\$1,605,299
Total potential award amount including all option years					\$7,572,355

CALL SUMMARY

Call Issued: July 25, 2018

Call Closed: September 26, 2018

Number of Addenda Issued: Six (6)

Number of Bids: One (1)

Table 2: Summary of Bids Received for RFQ 1004-18-0242 including Bid price

Bidder Name	Evaluated Bid Price (incl. H.S.T)
Herman Miller Canada Inc.*	\$1,377,243*+

* Bid prices were corrected for mathematical errors. Purchasing & Materials Management has verified that the mathematical errors were corrected.

+Bid price in Table 2 does not reflect a 15% miscellaneous line item in the Evaluated Bid Price.

DIVISION CONTACTS

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COMMENTS

For the recommended contract award, the following requirements have been met:

- a. The firm recommended for award is the lowest bidder meeting specifications and meeting the requirements of the call;
 - b. the appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;
 - c. the total contract value is less than \$20 million dollars (excluding applicable taxes) and the contract term is for a contract funded by the operating budget, 5 years or less including any option years;
- being within the authority of the Bid Award Panel;
- d. there are no material written objections to the award;
 - e. the Call Document was advertised on the City's internet website and Bids were opened publicly; and
 - f. the Fair Wage Office confirms the recommended Bidder understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

Additional details and information for the above Call is on the file in the Purchasing & Materials Management Division.

SIGNATURE

Michael Pacholok
Chief Purchasing Officer