



BID AWARD PANEL CONTRACT AWARD

Award of Request for Quotation No. 1004-19-0068 to POI Business Interiors and Specialty Furniture for various furniture, related accessories and miscellaneous items for the City of Toronto's Seniors Services and Long-Term Care Division

Date: August 26, 2019
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: All Wards

RECOMMENDATIONS

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

Call Number:

RFQ Number 1004-19-0068

Description:

To provide non-exclusive supply, delivery, installation, unpacking, assembly, setting in place, removal of debris and warranty of various furniture, related accessories and miscellaneous items for the City of Toronto's Seniors Services and Long-Term Care Division, from the date of award for a period of two (2) years, with the option to renew the Contract for three (3) additional separate optional year periods.

Should the option(s) be exercised, the Director of Management Services, Seniors Services and Long-Term Care will request the Chief Purchasing Officer of Purchasing and Materials Management to process the renewals under the same terms and conditions.

Recommended Bidders:

POI Business Interiors (Parts A, B, C, and F)
Specialty Furniture (Part E)

POI Business Interiors

Contract Award Value:

\$ 2,230,215 net of all applicable taxes and charges
\$ 2,520,143 including HST and all applicable charges
\$ 2,269,467 net of HST recoveries

Contract is expected to start on Date of Award and end on August 31, 2021.

Option Year 1: September 1, 2021 – August 31, 2022
\$ 1,148,561 net of all applicable taxes and charges
\$ 1,297,874 including HST and all applicable charges
\$ 1,168,776 net of HST recoveries

Option Year 2: September 1, 2022 – August 31, 2023
\$ 1,183,018 net of all applicable taxes and charges
\$ 1,336,810 including HST and all applicable charges
\$ 1,203,839 net of HST recoveries

Option Year 3: September 1, 2023 – August 31, 2024
\$ 1,218,508 net of all applicable taxes and charges
\$ 1,376,914 including HST and all applicable charges
\$ 1,239,954 net of HST recoveries

The total potential cost to the City including all option years is \$5,882,036 net of HST recoveries, \$6,531,741 including all applicable taxes and charges and \$5,780,302 net of all applicable taxes and charges.

Specialty Furniture (Part E)

Date of Award to August 31, 2021

\$ 1,157,380 net of all applicable taxes and charges
\$ 1,307,839 including HST and all applicable charges
\$ 1,177,750 net of HST recoveries

Option Year 1: September 1, 2021 – August 31, 2022
\$ 596,051 net of all applicable taxes and charges
\$ 673,538 including HST and all applicable charges
\$ 606,541 net of HST recoveries

Option Year 2: September 1, 2022 – August 31, 2023
\$ 613,932 net of all applicable taxes and charges
\$ 693,743 including HST and all applicable charges
\$ 624,737 net of HST recoveries

Option Year 3: September 1, 2023 – August 31, 2024
\$ 632,350 net of all applicable taxes and charges
\$ 714,556 including HST and all applicable charges
\$ 643,479 net of HST recoveries

The total potential cost to the City including all option years is \$3,052,507 net of HST recoveries, \$3,389,676 including all applicable taxes and charges and \$2,999,713 net of all applicable taxes and charges.

The above cost calculations for the Option Year reflects an estimated annual 3% increase as per the Consumer Price Index (CPI).

The total potential award for all contracts identified in this report, including all option years is \$8,934,543 net of HST recoveries, \$9,921,417 including all applicable taxes and charges and \$8,780,015 net of all applicable taxes and charges.

FINANCIAL IMPACT

The total potential award for all contracts identified in this report, including all option years is \$8,934,543 net of HST recoveries, \$9,921,417 including all applicable taxes and charges and \$8,780,015 net of all applicable taxes and charges.

Funding is available in the 2019 Approved Operating Budget for Long-Term Care Homes & Services Division. Additional funding will be included in the 2020 and 2021 Operating Budget Submission for Seniors Services and Long-Term Care.

Should the City choose to exercise its option to renew for an additional three (3) separate one (1) year periods, then appropriate additional funding, if needed, will be included in the 2021-2024 annual Operating Budget Submissions for Seniors Services and Long-Term Care.

Table 1: Financial Impact Summary of Recommended Two Contracts

Cost Centre/ Cost Element	Cost Centre D3*061 C/E 3099
Contract Period (September 1 to December 31, 2019)	\$574,537
Contract Period (January 1 to December 31, 2020)	\$1,723,609
Contract Period (January 1 to August 31, 2021)	\$1,149,071
Option Year 1 (September 1 to December 31, 2021)	\$591,772
Option Year 1 (January 1 to August 31, 2022)	\$1,183,545
Option Year 2 (September 1 to December 31, 2022)	\$609,526
Option Year 2 (January 1 to August 31, 2023)	\$1,219,050
Option Year 3 (September 1 to December 31, 2023)	\$627,811
Option Year 3 (January 1 to August 31, 2024)	\$1,255,622
Total (net of HST recoveries)	\$8,934,543

CALL SUMMARY

Call Issued: May 24, 2019

Call Closed: July 5, 2019

Number of Addenda Issued: Four (4)

Number of Bids: Two (2)

Table 2: Summary of Bids Received for RFQ 1004-19-0068 including bid price

Bidder Name	Evaluated Bid Price (excluding H.S.T.)
POI Business Interiors	\$ 2,230,215
Specialty Furniture	\$ 1,157,380

DIVISION CONTACTS

Elena Caruso, Manager, Goods & Services, Purchasing & Materials Management, 416-392-7316, elena.caruso@toronto.ca

Riaz Shaikh, Manager, Environmental Services, Seniors Services & Long-Term Care, 416-397-0553, riaz.shaikh@toronto.ca

COMMENTS

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

a. The firm recommended for award are the lowest bidders meeting specifications based on the evaluation criteria included in the call 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:

1. for a contract funded by the operating budget, 5 years or less including any option years; or
2. for a contract funded by the capital budget, within the projected term of the capital funding for the project as set out in the capital budget,

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 or proposals were opened publicly; and

f. the Fair Wage Office confirms the recommended firm understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

Additional details and information for the above calls are on the file in the Purchasing and Materials Management Division.

SIGNATURE

Mike Pacholok
Chief Purchasing Officer