



BID AWARD PANEL CONTRACT AWARD

Award of Doc4227802467 to Various Suppliers for the Supply, Delivery and Installation of Office Furniture and Task Chairs for Corporate Real Estate Management Division

Date: April 18, 2024
To: Bid Award Panel
From: Chief Procurement Officer
Wards: All

RECOMMENDATIONS

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

Solicitation Number:
Request for Quotation, Doc4227802467

Description:
For Supply, Delivery and Installation of Office Furniture and Task Chairs for Corporate Real Estate Management Division from date of award to January 31, 2025, with the option to renew the Contracts for additional one (1)-year period.

This utilized the Vendor of Record Arrangement Tender Number 13685 for Office Seating and Furniture established by Province of Ontario's Ministry of Public and Business Service Delivery, with the agreement to be executed based on the terms and conditions set out in Request for Quotation Number Doc4227802467, and on such other terms and conditions satisfactory to the Controller and in a form satisfactory to the City Solicitor.

Should the option be exercised, the General Manager, Corporate Real Estate Management will request the Chief Procurement Officer of Purchasing and Materials Management to process the renewals under the same terms and conditions.

Recommended Suppliers:
ergoCentric Inc. operating as ergoCentric Seating Systems, healthHcentric (Lot 1)
Haworth Ltd. (Lot 4)
POI Business Interiors LP operating as POI Business Interiors (Lot 6)

Contract Award Value:

ergoCentric Inc. operating as ergoCentric Seating Systems, healthCentric (Lot 1)

\$5,000,000 net of all applicable taxes and charges

\$5,650,000 including HST and all applicable charges

\$5,088,000 net of HST recoveries

Contract is expected to start on date of award and end on January 31, 2025.

Option Year 1 (February 1, 2025 to January 31, 2026)

\$5,000,000 net of all applicable taxes and charges

\$5,650,000 including HST and all applicable charges

\$5,088,000 net of HST recoveries

The total potential contract award including option year is \$11,300,000 including HST and all applicable charges and \$10,000,000 net of all applicable taxes and charges. **The total potential contract cost to the City for ergoCentric Inc. operating as ergoCentric Seating Systems, healthCentric including option year is \$10,176,000 net of HST recoveries.**

Haworth Ltd. (Lot 4)

\$5,000,000 net of all applicable taxes and charges

\$5,650,000 including HST and all applicable charges

\$5,088,000 net of HST recoveries

Contract is expected to start on date of award and end on January 31, 2025.

Option Year 1 (February 1, 2025 to January 31, 2026)

\$5,000,000 net of all applicable taxes and charges

\$5,650,000 including HST and all applicable charges

\$5,088,000 net of HST recoveries

The total potential contract award including option year is \$11,300,000 including HST and all applicable charges and \$10,000,000 net of all applicable taxes and charges. **The total potential contract cost to the City for Haworth Ltd. including option year is \$10,176,000 net of HST recoveries.**

POI Business Interiors LP operating as POI Business Interiors (Lot 6)

\$5,000,000 net of all applicable taxes and charges

\$5,650,000 including HST and all applicable charges

\$5,088,000 net of HST recoveries

Option Year 1 (February 1, 2025 to January 31, 2026)

\$5,000,000 net of all applicable taxes and charges

\$5,650,000 including HST and all applicable charges

\$5,088,000 net of HST recoveries

The total potential contract award including option year is \$11,300,000 including HST and all applicable charges and \$10,000,000 net of all applicable taxes and charges. **The total potential contract cost to the City for POI Business Interiors LP operating as POI Business Interiors including option year is \$10,176,000 net of HST recoveries.**

The total potential contract award including option year for all awards is \$33,900,000 including HST and all applicable charges and \$30,000,000 net of all applicable taxes and charges. **The total potential contract cost to the City for all awards including option year is \$30,528,000 net of HST recoveries.**

FINANCIAL IMPACT

The total potential combined contract award identified in this report including option year is \$30,000,000 net of all applicable taxes and charges, and \$33,900,000 including all applicable taxes and charges. The total potential cost to the City including option year is \$30,528,000 net of HST recoveries.

These contracts are Blanket Contracts to be used if and when required, up to the total potential contract award value for each lot of goods for each supplier, and for the stated contract term. City usage of these suppliers will vary depending on the lot of goods required. City Divisions will have access to these Blanket Contracts through the Corporate Real Estate Management Division as the contract owner. There are no incremental financial impacts resulting from the recommendation to award these Blanket Contracts to the specified suppliers to the 2024 Operating Budgets submitted for either Corporate Real Estate Management Division or other City Divisions. The use of these Blanket Contracts as required during the contract term will be accommodated within the Council Approved Operating or Capital Budget of the City Division which requires and uses the goods.

Should the City choose to exercise its option to renew for the one (1) additional one (1)-year period, the contracts will also be set up as Blanket Contracts.

Table 1: Financial Impact Summary of Recommended Contract

	Initial Term Year (Date of Award to January 31, 2025)	Option Year (February 1, 2025 to January 31, 2026)	Grand Total
Total cost, net of HST recoveries	\$15,264,000	\$15,264,000	\$30,528,000

The Chief Financial Officer and Treasurer has reviewed this report and agrees with information included in the Financial Impact section.

SOLICITATION SUMMARY

Solicitation Issued: October 19, 2023 **Solicitation Closed:** November 13, 2023
Number of Addenda Issued: Two (2)
Number of Bids: Four (4)

Table 2: Summary of Bids Received including bid price:

Supplier Name	Bid Price (excluding H.S.T.)*
Allseating Corporation	Lot 1: \$2,100,000**
Haworth Ltd.	Lot 1: \$2,295,730 Lot 4: \$3,303,256
POI Business Interiors LP operating as POI Business Interiors	Lot 1: \$2,200,000** Lot 6: \$1,913,000
ergoCentric Inc. operating as ergoCentric Seating Systems, healthCentric	Lot 1: \$2,201,250

* Bid prices are based on a percentage discount and are for evaluation purposed only. The contract award values were set at \$5,000,000 net of all applicable taxes and charges for Initial Term and Option Year respectively, as per Part 5, Section 1.3 of Request of Quotation.

** Suppliers were found non-compliant with mandatory ergonomics requirements.

DIVISION CONTACTS

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COMMENTS

The City of Toronto is utilizing the Ministry of Public and Business Service Delivery Contract for the recommended award, as per the Toronto Municipal Code, Chapter 195-6.6. Procurement of same goods and services as a public body, the following requirements have been met:

- a. The firms recommended for award are the lowest Suppliers meeting specifications or to the highest scoring Suppliers based on the evaluation criteria included in the Solicitation and meeting the requirements of the solicitation;
- b. The resulting contracts between the public body and the Suppliers stipulate that the same goods and/or services be made available to other public bodies which include the City at the same price as provided by the Suppliers to the initiating public body;
- c. The same goods and/or services will be made available to the City for the same or better price than the price that is to be paid by the public body;

d. The appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;

e. 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;

f. The Suppliers are not ineligible, suspended or otherwise in contravention of Chapters 71- Financial Control and 195-Purchasing of the City of Toronto Municipal Code;

g. The Solicitation document was issued through piggy back Vendor of Record process and eight (8) prequalified firms were invited for submission in accordance with Vendor of Record User Guide for Office Seating and Furniture, and bids or proposals were submitted electronically in Ariba; and

f. the Fair Wage Office confirms the recommended firms understand the Fair Wage Policy and Labour Trades requirements and have agreed to comply fully.

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

SIGNATURE



Geneviève Sharkey
Chief Procurement Officer