

Clause 36 in Report No. 12 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on September 21, 2017.

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Office Furniture Procurement

Committee of the Whole recommends adoption of the following recommendations contained in the report dated August 23, 2017 from the Commissioner of Corporate Services:

1. Council authorize an extension to the existing agreement between the Region and Teknion Limited and Salix Systems Limited for one (1) additional year, from October 18, 2017 to October 17, 2018.
 2. Council authorize the Commissioner of Corporate Services to execute the agreement.
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Report dated August 23, 2017 from the Commissioner of Corporate Services now follows:

1. Recommendations

It is recommended that:

1. Council authorize an extension to the existing agreement between the Region and Teknion Limited and Salix Systems Limited for one (1) additional year, from October 18, 2017 to October 17, 2018.
2. Council authorize the Commissioner of Corporate Services to execute the agreement.

2. Purpose

This report seeks Council authorization to extend the existing contract for the purchase of systems furniture with Teknion Limited and their authorized dealer representative, Salix Systems Limited for a period of one (1) year.

3. Background and Previous Council Direction

Council approved Teknion as the vendor of record in 2009

On [June 25, 2009](#), Council adopted a report which confirmed Teknion Limited as the vendor of record for the Region's systems furniture. In 2008, the Region retained the services of an independent consultant to develop a Systems Furniture Procurement Strategy. Interviews were conducted with various systems furniture manufacturers and with other private and public sector organizations, including municipalities. The findings from the final report were used to support the recommendations to Council in 2009.

At that time many workstations within the Region had already been manufactured and supplied by Teknion. Having one manufacturer of systems furniture ensured that any new product would be compatible with existing furniture, reconfiguration of space would be easier and replacement parts would be available.

In 2012, Council authorized a new five-year agreement with Teknion Limited for systems furniture

In [September 2012](#), Council authorized an extension to the agreement with Teknion for systems furniture. The report outlined why Teknion products continued to meet the Region's systems furniture needs, while considering pricing, quality, service and the guiding principles of good stewardship and adherence to the Region's Procurement Bylaw. The agreement executed in 2012 was for a five year term and will expire on October 18, 2017.

The 2012 Report identified the Annex as an opportunity to explore new products

The aforementioned report also identified the development of the Administrative Centre Annex as an excellent opportunity to test the furniture market. Staff advised Council that as part of the Annex planning process, a formal Request for Proposal (RFP) would be developed and be open to all systems manufacturers and suppliers.

4. Analysis and Implications

The existing systems furniture has been working well

The Region has approximately 4,000 systems furniture workstations installed in various facilities. The Teknion line of products represents the majority of the Region's furniture and has performed well over the years. The systems' flexibility and durability provides the Region with significant benefits. Its modularity allows customization and changes with minimal interruption to staff work. The uniformity in operation and appearance allows rapid staff relocations in response to changing program needs, and its durability provides the Region with the ability to reuse existing furniture many times.

Furniture for the Annex will be ordered in late 2018

The construction of the Annex started in early 2017, and is progressing well. The facility's furniture requirements have been determined and approximately 40% (or 400 workstations/offices) of the furniture in the Annex will be new. As stated in the 2012 report, the need to make a large scale purchase of office furniture for the Annex will be the most opportune time for testing the furniture market in a public Request for Proposal. The furniture order for the Annex is scheduled for late 2018.

The public procurement process will be completed during the one year contract extension period

Staff will engage a consulting firm to prepare the systems furniture Request for Proposal. The consultant will review and consider the Region's needs: from the immediate needs (such as the Annex), to longer term needs. Consideration will be given to generational changes, the Regional workforce becoming more mobile and evolving industry practices. To determine these needs and accurately portray them in a Request for Proposal, the consultant will engage in consultations with Regional staff, industry suppliers, and facility management departments in other municipalities. The Request for Proposal document will also contain provisions that clearly stipulate the physical attributes of the systems furniture. As with the existing systems furniture, the new system will need to be durable, modular, ergonomic and esthetic.

5. Financial Considerations

The cost of systems furniture that will be required during the extension period has been incorporated into the 2018 Capital and Operating budget submissions.

Teknion has agreed to hold the list price of its various product lines at their 2015 rates. These prices will be in place for the one year extension to the existing agreement.

6. Local Municipal Impact

There are no local municipal impacts associated with this report.

7. Conclusion

Staff is recommending a one year extension to the agreement with the existing systems furniture manufacturer and supplier. During the one year extension, a competitive process will take place to secure a new systems furniture manufacturer and supplier. The completion of this process is timed so that in late 2018, the new manufacturer and supplier are in place for receiving the Annex's furniture order.

For more information on this report, please contact Michael Shatil, Director, Property Services Branch at 1-877-464-9675 ext. 71684.

The Senior Management Group has reviewed this report.

August 23, 2017

Attachments ()

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