



Exhibition Place

10

November 2, 2015

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young, Chief Executive Officer

Subject: **Agreement for Non-Exclusive Supply of Various Uniform Clothing**

Summary:

This report recommends that the Board enter into an agreement with Five Star Enterprise Ltd. (Five Star) commencing December 1, 2015 for the non-exclusive supply of various uniform clothing to Exhibition Place.

On October, 2015, a Request for Quotation (RFQ) process was issued through the City of Toronto, Finance Department, Purchasing and Materials Management Division (PMMD) for the non-exclusive supply of various uniform clothing to Exhibition Place.

Recommendation:

It is recommended that the Board enter into an agreement with Five Star Enterprise Ltd. for a period of one (1) year, commencing on December 1, 2015, with the option to extend for an additional three (3) one-year periods on the terms and conditions outlined in this report and other such terms and conditions satisfactory to the Chief Executive Officer and the City Solicitor.

Financial Impact:

The projected annual expenditure for the various uniform clothing referenced in this RFQ for Exhibition Place is \$42,379.35 and is provided for in the 2015/2016 Operating Budget.

Decision History:

The Exhibition Place 2004 to 2016 Strategic Plan had a Financial Goal to *effectively monitor costs and revenues* and as a strategy to support this Goal *we will seek review and revise financial and organizational systems to strengthen controls and process.*

At its meeting of December 19, 2012 the Board approved entering into agreement with Five Star Enterprise Ltd. for the non-exclusive supply of various uniform clothing to Exhibition Place, which agreement expires on November 30, 2015.

[http://www.explace.on.ca/database/rte/files/Item%2011-Clothing\(1\).pdf](http://www.explace.on.ca/database/rte/files/Item%2011-Clothing(1).pdf)

Issue Background:

The term of the current agreement is set to expire on November 30, 2015.

Comments:

The RFQ specified the Board's requirements listing twenty-two uniform items and projected quantities by size. Bidders were required to submit firm pricing by size. For comparison purposes, the unit prices quoted were applied to projected annual requirements resulting in Total Lump Sum Pricing. Firm prices were quoted for the first year with maximum percentage increases for each of the two option years.

The RFQ closed on October 26, 2015, with two (2) quotations received. Based on the pricing received and financial analysis, the one-year evaluated bid total prices, excluding HST were as follows:

Bidder	Year 1 Extended Price
Five Star Enterprise Ltd.	\$42,379.35
FM Embroidery	\$55,769.99

Should the option year be exercised, pricing will be subject to an adjustment in accordance with the annual CPI – All items- Toronto, for a 12 month period ending there (3) months prior to the start of each option year.

The Five Star quotation is the overall lowest acceptable bid received in compliance with all requirements.

Staff report favourably on Five Star's past performance at Exhibition Place. The City of Toronto Fair Wage and Labour Trades Office confirms that Five Star is in compliance with the Fair Wage and Labour Trades requirements for this work.

The resulting agreement is not an exclusive agreement and the Board retains the right to obtain competitive prices and source uniform clothing from other suppliers, if required. The substantial terms of the agreement will be as follows:

- (a) Term: One year commencing December 1, 2015 with the option to extend for an additional three (3) one-year periods subject to satisfactory performance review;
- (b) Pricing: Pricing be fixed during the term of the Agreement;
- (c) Option Year Price Increases: Pricing increases will be subject to an adjustment in accordance with the annual CPI – All items- Toronto, for a 12 month period ending there (3) months prior to the start of each option year
- (d) Assignment: The agreement between the Board and Five Star shall not be assigned by Five Star. without the consent of the Board;
- (e) Insurance/Indemnity: Five Star shall provide proof of insurance in a form and amount satisfactory to the Board and containing provisions including the Board and the City of Toronto as additional insured with a cross liability/severability of interest clause of standard wording. Insurance shall be primary before any insurance held by the additional insured and the Board shall be entitled to thirty days notice of any intention to cancel or not to renew the policy. Five Star shall indemnify the Board and the City of Toronto with respect to any and all liability arising from any damage or injury as a result of the negligent acts or omissions of Five Star, or its employees or any other person for whom it is in law responsible, in the supply and quality of the equipment;
- (f) Union Obligations: Five Star shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place; and
- (g) Such other terms and conditions as contained in the Request for Quotations or as required by the General Manager/Operations, Chief Executive Officer, and the City Solicitor.

Contact

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