



# Exhibition Place

10

September 28, 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 Hardware/Building Products and Materials**

## Summary:

This report recommends that the Board enter into an agreement with RONA Inc. commencing November 1, 2015 for the non-exclusive supply of various hardware/building products and materials to Exhibition Place.

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 hardware/building products and materials to Exhibition Place.

## Recommendation:

**It is recommended that the Board enter into an agreement with RONA Inc. for a period of one (1) year, commencing on November 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 hardware/building products and materials referenced in this RFQ for Exhibition Place is \$18,334.77 and is provided for in the 2015/2016 Operating Budget.

## Decision History:

The Exhibition Place 2014 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 June 24, 2011 the Board approved entering into agreement with RONA Inc. for the non-exclusive supply of various hardware/building products and materials to Exhibition Place, which agreement expires on October 31, 2015.

[http://www.explace.on.ca/database/rte/files/Item%2019-Hardware\(1\).pdf](http://www.explace.on.ca/database/rte/files/Item%2019-Hardware(1).pdf)

## Issue Background:

The term of the current agreement is set to expire on October 31, 2015.

Comments:

On July 15, 2015, Exhibition Place through the services of PMMD issued a Request for Quotation to establish a new agreement for the non-exclusive supply of various hardware/building products and materials to Exhibition Place, commencing on November 1, 2015.

The RFQ listed a large number of common hardware products and building materials used for maintenance, repair and operational needs. The RFQ Price Schedule was structured in a manner that required bidders to submit firm unit prices based on projected annual quantities. The RFQ also required that bidders have a store for immediate/emergent pick-up of products within a set geographical area to Exhibition Place

For comparison purposes, the unit prices quoted were applied to these requirements resulting in Total Lump Sum Prices. In addition, bidders were required to state their percentage increases for each optional year and percentage discounts offered from various manufacturer's brand name catalogue list prices for other hardware products and materials not included in the price schedule.

The RFQ closed on July 30, 2015, with two (2) quotations received. Based on the pricing received and financial analysis, the one-year evaluated bid total price, along with the % option year increases, excluding HST were as follows:

	1 YEAR Extended Price	Option Year One Pricing Increase	Option Year One Pricing Increase	Option Year One Pricing Increase
RONA Inc.	\$ 18,334.77	0%	5%	5%
1884614 Ontario Ltd. O/A Malvern Hardware	\$ 21,410.04	2%	2%	2%

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

Staff report favourably on RONA's past performance at Exhibition Place. The City of Toronto Fair Wage and Labour Trades Office confirms that RONA Inc. 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.

The substantial terms of the agreement will be as follows:

- (a) Term: One year commencing November 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) Assignment: The agreement between the Board and RONA Inc. shall not be assigned by RONA Inc. without the consent of the Board;

- (d) Insurance/Indemnity: RONA Inc. 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. RONA Inc. 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 RONA Inc., or its employees or any other person for whom it is in law responsible, in the supply and quality of the equipment;
- (e) Union Obligations: RONA Inc. shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place; and
- (f) 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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