



Report to: General Committee

Report Date: March 23, 2015

SUBJECT: Award of Request for Proposal 210-Q-13 Supply and Delivery of Workplace Uniforms for Staff & Markham-Branded Products

PREPARED BY: Emma Girard, Production & Quality Coordinator, Ext. 2500
Rosemarie Patano, Senior Construction Buyer, Ext. 2990

RECOMMENDATION:

- 1) THAT the report entitled “Award of Request for Proposal 210-R-13 Supply and Delivery of Workplace Uniforms for Staff & Markham-Branded Products” be received;
- 2) THAT the contract for Supply and Delivery of Workplace Uniforms for Staff & Markham-Branded Products be awarded to the highest ranked / lowest priced bidder, Commercial Marketing;
- 3) THAT the term of the contract be for two (2) years with an option to renew for an additional two (2) years in the total award amount of \$421,520 (inclusive of HST);

2015 - \$105,380*
2016 - \$105,380 *
2017 - \$105,380**
2018 - \$105,380**
Total: \$421,520

*For the two (2) year contract term (2015-2016), costs will be at the same itemized pricing.

**The two (2) optional renewal years (2017-2018), costs will be adjusted to reflect negotiated pricing as mutually agreed by Purchasing Staff and the vendor.

- 4) THAT the contract be funded from various City Department’s Operating and Capital Budget’s as identified within the Financial Consideration Section of this report;
- 5) THAT the Director of Corporate Communications & Community Engagement and Senior Manager of Purchasing & Accounts Payable be authorized to exercise the option to renew the contract in year 3 and 4 dependent on assessment of performance in consultation with key City stakeholders and Council approval of the annual budget;
- 6) AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution;

PURPOSE

The purpose of this report is to obtain approval to award the contract for Supply and Delivery of Workplace Uniforms for Staff & Markham-Branded Products for a term of two (2) years with an option to renew for an additional two (2) years.

BACKGROUND

Workplace Uniforms

Workplace uniforms are utilized by various departments (identified within the Financial Considerations section) as a visual identifier when interacting with the public as part of day to day performance of duties. They ensure that all staff members are clearly identifiable as Markham employees while in our facilities, or out in the community. Workplace uniforms ensure a common image for Markham staff as part of customer service transactions. Standardized uniforms ensure Staff have a professional appearance and promote residence confidence and trust. City volunteers supporting City events also wear Markham uniforms.

It is critical that customers and residents are able to clearly recognize a staff member both in day-to-day operations and in the event of an emergency situation. Moreover, in the case of Recreation Staff, regulation 565 of the Ontario Pools Regulation requires identification of lifeguards. All staff responsible for the care and supervision of children should also be identifiable for the safety of those participating. Additionally, the current CUPE collective agreement requires the Employer to provide some types of workplace apparel for selected outside workers.”

Workplace uniforms for staff include: short-sleeve shirts, long-sleeve shirts, winter coats, spring jackets, summer caps and winter toques. The applicable department Director oversees all staff requests through an established internal review procedure and tracking process to approve all orders and ensure proper frequency of replacement. Workplace uniforms represent approximately 85% of the contract value.

Currently, workplace uniforms for Staff & Markham-branded products are funded through multiple accounts across all departments. Markham Fire & Emergency Services Department and By-law Enforcement Officer uniforms are covered under separate contracts, and are excluded from this RFP.

Markham-Branded Products

Promotional materials are used to market City of Markham programs, services, and events through various City corporate partners, businesses and international business development missions. This area represents approximately \$16,000 of the contract value, with almost 40% of costs, or \$6,000, offset through sponsorship funding.

Benefits of Contract Consolidation

In the past, each Department requiring workplace uniforms and branded products would place individual orders through multiple suppliers. Staff undertook a spend analysis and determined it would be cost beneficial to consolidate these purchases under an enterprise agreement with one supplier for the entire Corporation. In comparing the contractual pricing to the previous contracts, the pricing received under this RFP represents a cost savings of 10%. The City is receiving a discount of approximately 40% to 70% off retail prices.

Additional benefits arising from this E3 initiative include:

- optimized purchasing volumes,
- increased service levels and merchandise turn-around times to staff,
- consistent standard of product quality and warranty, and
- consistent application of Corporate Logo Standards.

BID INFORMATION:

Advertised, place and date	ETN
Bid closing date	February 26, 2014
Number picking up documents	19
Number responding to bid	7

* One bidder was disqualified as their company's bid submission did not include the mandatory completion of the City's Bid Form.

PROPOSAL EVALUATION

The evaluation team was comprised of Staff from Corporate Communications & Community Engagement and Recreation Services departments with Purchasing Staff acting as the facilitator. The evaluation was based on pre-established evaluation criteria as detailed in the Request for Proposal: 15 points bidder's experience in similar/related projects, 12.5 points experience of account manager, 22.5 points website design and online ordering system, 5 points stipulated warranty on each item, 5 points quality of packaging, 5 points warehousing and inventory size and 35 points price, totalling 100 points with resulting scores as follows:

Supplier	Score (out of 100)	Rank Results
Commercial Marketing	91.80	1
J.W Athletics	68.53	2
Marcom Group	68.36	3
International Alliance Traders	50.19	4
Astro Marketing	30.96	5
Balsam Basket	30.66	6

Note: Prices ranged from \$105,380 to \$142,263.

OPTIONS / DISCUSSIONS

Commercial Marketing the overall highest ranked supplier, demonstrated strong and relevant experience with service awards projects of a similar size and scope. The vendor is able to deliver branded merchandise through an online custom website design and online ordering system. Their solution is carefully customized to meet each customer's objectives and is integrated with warehousing fulfilment systems to easily automate customer orders. Their online ordering system is clear, intuitive and easy to use. Commercial Marketing has competitive delivery of goods and strong return and customer satisfaction policies compared to the other vendors.

Council members will also be able to order Markham branded merchandise through the online system.

FINANCIAL CONSIDERATIONS AND TEMPLATE:

The contract award for supply and delivery of Workplace Uniforms for Staff & Markham-branded products totals \$421,520 (inclusive of HST) for a two (2) year term with an option to renew for an additional two (2) years.

2015 - \$105,380*
 2016 - \$105,380 *
 2017 - \$105,380**
2018 - \$105,380**
 Total: \$421,520

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**The two (2) optional renewal years (2017-2018), costs will be adjusted to reflect negotiated pricing as mutually agreed by Purchasing Staff and the vendor.

Staff will continue to monitor the benefits of the consolidated contract to identify additional efficiencies.

Subcategory	Department	Account	Amount (\$/Year) inclusive of HST
Workplace Uniforms	Recreation	500-998-4260	\$ 55,000.00
	Operations	700-998-4260	\$ 5,150.00
	Waterworks	760-998-4260	\$ 4,900.00
	Flato Markham Theatre	530-534-5661	\$ 360.00
	Varley Art Gallery	540-542-4210	\$ 460.00
	Museum	520-521-4260	\$ 3,100.00
	Building Standards	600-998-4260	\$ 7,500.00
	Engineering	640-998-4260	\$ 5,170.00
	By-laws (not including Enforcement Officers)	310-323-4260	\$ 1,050.00
	Event - Doors Open (volunteers)	032-224-0043	\$ 4,100.00*
	Event - Children's Festival (volunteers)	025-210-0021	\$ 1,550.00*
	Event - United Way Golf Tournament (volunteers)	025-210-0005	\$ 780.00*
Sub-Total			\$ 89,120.00
Markham- Branded Products	Economic Development	610-998-5808	\$ 10,000.00
	Event - Markham Giro Bike Race	640-101-5699- 8113	\$ 5,600.00*
	Event - United Way Annual Fundraising	795-796-5685	\$ 200.00*
	Event - Bollywood Film Night	025-210-0060	\$ 460.00*
Sub-Total			\$ 16,260.00
TOTAL:			\$ 105,380.00

*Sponsorship revenue has fully offset the costs of these expenditures.

The various departments will administer this contract and will adjust quantities when applicable (without penalty to the Corporation) in order to limit spending to the approved budgeted amounts.

HUMAN RESOURCES CONSIDERATIONS:

Not Applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not Applicable

BUSINESS UNITS CONSULTED AND AFFECTED:

Recreation; Economic Development; Engineering; Sustainability; Waste Management; Waterworks; Operations; Planning; Finance; Corporate Communications & Community Engagement; Building Standards.

RECOMMENDED BY:

19/03/2015

24/03/2015

X 

Dennis Flaherty
Director, Corporate Communications & Communit...

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Trinela Cane
Commissioner, Corporate Services