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The Regional Municipality of Durham Report

To: Works Committee
From: Commissioner of Works
Report: #2023-W-18
Date: May 3, 2023

Subject:

Standardization of Office Workstation Furniture and Demountable Wall Systems for all Regional Municipality of Durham Facilities

Recommendation:

That the Works Committee recommends to Regional Council:

- A) That Teknion Leverage Workstation System furniture continue as the standard for modular workstation furniture installations within the Regional Municipality of Durham's facilities and for all new construction projects requiring modular workstation furniture for a ten-year term beginning July 1, 2023 and ending June 30, 2033, with the supply and installation services to be competitively tendered to Teknion authorized furniture dealers;
- B) That Teknion Tek Vue Demountable Wall System be adopted as the standard for demountable wall system installations within the Regional Municipality of Durham's facilities and for all new construction projects requiring demountable wall systems for a ten-year term beginning July 1, 2023 and ending June 30, 2033; and
- C) That a negotiated sole source agreement with Teknion for the provision of a fixed pricing discount structure for a period of up to a five-year period and renewed for an additional five-year period at an annual cost of approximately \$2,000,000 be approved, with financing provided through Capital Projects approved in the annual Business Plans and Budgets.

Report:**1. Purpose**

- 1.1 The purpose of this report is to obtain Regional Municipality of Durham (Region) Council approval for the ongoing standardization of Teknion Leverage Workstation System furniture and Teknion Demountable Wall System for all Regional Facilities and to utilize Teknion Leverage Workstation System furniture and Teknion Demountable Wall System for all new construction projects requiring modular furniture installations and demountable wall installations.
- 1.2 Teknion Leverage Workstation System furniture is a modular workstation furniture product that consists of panels, worksurfaces, storage and ergonomic technologies that connect to create a typical cubicle-style workstation. The individual components can be configured in a variety of ways maximizing design and installation flexibility.
- 1.3 The Teknion Tek Vue Demountable Wall system is a prefabricated glass wall system that can be used to create enclosed spaces, such as an office or meeting room. The components can be easily removed or added in various layouts.

2. Background

- 2.1 As part of the construction of the Regional Headquarters building, a Furniture, Fixtures and Equipment (FFE) Committee was set up to provide input into the specifications for the office furniture, chairs, cabinets, loose furniture, and miscellaneous office furnishings. Based on the recommendations of the FFE Committee, a Request for Proposals (RFP) was issued by the design/build contractor, Ellis Don & Brisbin Brook Beynon Architects, for the modular systems furniture requirements for the new Headquarters building. The modular system selected through this process was Teknion Leverage Workstation System furniture.
- 2.2 In 2018, Teknion Leverage Workstations System furniture was adopted as the standard for modular workstation furniture for Regional facilities, including new construction projects for a five-year term beginning July 1, 2018 and ending June 30, 2023 (Report #2018-COW-113).

- 2.3 In 2019, Teknion Demountable Wall Systems was adopted as the standard for demountable wall systems for Regional facilities, including new construction projects ending June 30, 2023 (Summer Recess Memorandum dated August 12, 2019).
- 2.4 During the five-year term, Teknion Leverage Workstation System furniture and Teknion Demountable Wall Systems became the basis of design for large construction projects such as the Workplace Modernization Project at Regional Headquarters and the 101 Consumers Drive optimization.
- 2.5 Approximately 95 percent of Regional facilities, excluding Durham Regional Police Services, currently use the Teknion Leverage Workstation System furniture.
- 2.6 The supply and installation of Teknion Leverage Systems Furniture and Teknion Demountable Wall Systems was competitively bid, with the contract awarded to Holmes and Brakel through T-657B-2020 for the period of November 6, 2020, to June 30, 2024. It is the intent to competitively tender this contract upon the expiration of the existing agreement.

3. Justification for Standardization

- 3.1 Utilizing a standard office workstation furniture system from a single manufacturer provides a cost-effective and flexible workstation that can be easily implemented as part of any new project and renovations at all Regional facilities. Cost efficiencies through the reuse and reconfiguration of workspaces using compatible components that are retained from other projects and facilities can be realized.
- 3.2 Large projects in progress, including Workplace Modernization and the optimization of 101 Consumers Drive in the Town of Whitby have been designed to incorporate Teknion Leverage Systems Furniture and Teknion Demountable Wall Systems. As these projects are in various stages of the procurement process, redesign and rewriting of procurement documents would be necessary.
- 3.3 Regional staff can be easily trained to perform minor remodelling and relocation work using a standardized workstation furniture system with compatible parts. Spare parts and components can be stored and inventoried for reuse as needed. By being familiar with the functionality of the furniture, Regional staff could perform adjustments necessary to accommodate ergonomic and accessibility requirements.

3.4 In cases where a different manufacturer's workstation systems furniture has been installed at an existing location, any additional purchases for that location will need to be compatible with that system. The requirements will be procured through a competitive process where possible, specifying the existing modular furniture manufacturer on compatible alternatives, or sole-sourced if there are no alternatives.

4. Financial Implications

4.1 Section 7.2 of the Region's Purchasing By-Law #16-2020 permits the acquisition of goods and services through sole source negotiations under specific circumstances outlined in Appendix C of the by-law. Section 1.2 of Appendix C permits negotiations for goods or services that can be supplied only by a particular supplier to ensure compatibility with existing goods. The by-law also requires approval by the appropriate standing committee and Council for the award of sole source contracts that exceed \$100,000 in value.

4.2 Negotiation of the fixed pricing structure as part of the standardization process provides the Region with a discounted price for the furniture components procured. As noted in Section 2.6 of this report, the supply and installation services of Teknion Leverage Systems and Teknion Demountable Walls Systems will continue to be competitively tendered to Teknion authorized furniture dealers. Holmes and Brakel holds the current contract (T-657B-2020) for the period of November 6, 2020, to June 30, 2024. It is the intent to competitively tender this contract upon the expiration of the existing agreement.

4.3 Financing for the purchase of furniture will be included in the appropriate departmental capital budgets approved as part of the Region's Business Plans and Budgets.

4.4 Furniture requirements for Durham Regional Police Services will continue to be procured based on performance specifications as part of construction and renovation project tenders.

4.5 Where appropriate, performance-based specifications will be utilized to purchase furniture for Regional facilities on a case-by-case basis where Teknion Leverage Workstation System furniture is not already installed.

5. Relationship to Strategic Plan

5.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

a. Goal 1: Environmental Sustainability

- 1.2 Increase waste diversion and resource recovery.

b. Goal 5: Service Excellence

- 5.1 Optimize resources and partnerships to deliver exceptional quality services and value.

6. Conclusion

6.1 It is recommended that Teknion Leverage Workstation Systems furniture and Teknion Demountable Wall Systems be adopted as the standard for workstation furniture and demountable wall installations within Regional Municipality of Durham facilities and for all new construction projects requiring modular workstations furniture or demountable walls.

6.2 This report has been reviewed by the Finance Department.

6.3 For additional information, contact: David Nagy, Manager of Design, Construction and Asset Management, at 905-261-7674.

Respectfully submitted,

Original signed by:

John Presta, P. Eng., MPA
Commissioner of Works

Recommended for Presentation to Committee

Original signed by:

Elaine C. Baxter-Trahair
Chief Administrative Officer