



Exhibition Place

8

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 Janitorial Products**

Summary:

This report recommends that the Board enter into an agreement with Mister Chemical Ltd. commencing December 1, 2015 for the non-exclusive supply of various janitorial products to Exhibition Place.

On September 15, 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, delivery and warranty of various janitorial products and materials to Exhibition Place.

Recommendation:

It is recommended that the Board enter into an agreement with Mister Chemical 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 janitorial products referenced in this RFQ is \$297,644 of which \$245,644 is recoverable from clients of the Board. The remaining \$52,000 is provided for in the 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 May 13, 2011 the Board approved entering into agreement with Mister Chemical Ltd. for the non-exclusive supply of various janitorial products to Exhibition Place, which agreement expires on May 31, 2015.

At its meeting of December 1, 2014 the Board approved extending the agreement with Mister Chemical Ltd. for the non-exclusive supply of various janitorial products to Exhibition Place, which extension expires on November 30, 2015.

[http://www.explace.on.ca/database/rte/files/Item%2010-Janitorial\(2\).pdf](http://www.explace.on.ca/database/rte/files/Item%2010-Janitorial(2).pdf)

Issue Background:

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

Comments:

Exhibition Place Housekeeping Services provides janitorial services for Exhibition Place buildings and most clients. Cleaning supplies are required on a “just in time” basis from one single supplier. The current supplier, at its own expense, also provides soap, tissue and towel dispensers along with training required for use of its supplies and chemicals.

For comparative and evaluation purposes the RFQ listed 80 specific janitorial products along with projected annual usage and required bidders to submit firm unit pricing for the year as well as firm percentage pricing increases for each of the three option years. The products specified took into account environmental considerations and, in addition, efficiencies derived from the use of bulk paper dispensing systems, concentrated chemical dilution systems, and “just in time” delivery service. Bidders were also expected to submit details on training programs, supply guarantees, delivery and references. In keeping with the Board’s environmental initiatives, bidders were also asked to indicate if their bid offered products with environmental benefits outside of any specifications called for in the RFQ.

The RFQ closed on October 6, 2015, with two (2) quotations received. Based on the pricing received and financial analysis, the one-year evaluated bid total price, taking into consideration prompt payment discounts, along with the % option year increases, excluding HST, were as follows:

	1 YEAR Extended Price	Option Year One Pricing Increase	Option Year Two Pricing Increase	Option Year Three Pricing Increase
Mister Chemical Ltd.	\$ 297,643.91	3%	3%	3%
Bunzl Canada	\$ 314,828.88	3%	3%	3%

The Mister Chemical Ltd. quotation is the overall lowest acceptable bid received in compliance with all requirements.

Staff report favourably on Mister Chemical Ltd.’s past performance at Exhibition Place.

The City of Toronto Fair Wage and Labour Trades Office confirms that Mister Chemical Ltd 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, as 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) Equipment: Mister Chemical Ltd. will supply bulk paper towel and toilet tissue dispensers, soap dispensers and concentrated chemical dilution proportioning systems, during the term of the agreement, at no cost to the Board;

- (d) Assignment: The agreement between the Board and Mister Chemical Ltd. shall not be assigned by Mister Chemical Ltd. without the consent of the Board;
- (e) Insurance/Indemnity: Mister Chemical Ltd. 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. Mister Chemical Ltd. 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 Mister Chemical Ltd., 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: Mister Chemical Ltd. 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/ Sales & Event Management, Chief Executive Officer, and the City Solicitor.

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