

June 26, 2015

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young,
Chief Executive Officer

Subject: **Agreement for Pest Control Services**

Summary:

This report recommends that the Board enter into agreement with The Steritech Group Corp. (Steritech) for the provision of pest control services commencing October 1, 2015. Pest control is an essential service with the existing agreement set to expire on September 30, 2015. On April 24, 2015, Exhibition Place through the services of City of Toronto issued a Request for Quotation to establish a new agreement.

Recommendation:

It is recommended that the Board approve an agreement between the Board and Steritech for a period of one (1) year, with the option to extend for three (3) additional one (1) year periods, on the terms and conditions outlined in this report and other such terms and conditions satisfactory to the Chief Executive Officer of the Board and the City Solicitor.

Financial Impact:

The projected annual expenditure for pest control services is \$40,000.00 and is provided for in the current year budget.

Decision History:

The Exhibition Place 2014-2016 Strategic Plan has a Financial Goal to *maintain a positive operating financial performance across Exhibition Place and all its businesses, effectively monitoring costs and revenues*, and as a Strategy to support this Goal *we will seek efficiencies with the public funds under our control and continue to evaluate our provision model to ensure that services offered are best provided either internally or externally*.

At its meeting of November 4, 2011, the Board approved a service agreement with Steritech for the provision of pest control services, commencing October 1, 2011 and expiring on September 30, 2015.

<Q:\BOG Public\BOG Reports\2011 Reports\Nov 4\Pest Control Services.pdf>

Issue Background:

The term of the existing contract for pest control services is set to expire September 30, 2015.

Comments:

The RFQ included a detailed scope of work and time specific requirements for weekly, bi-weekly and monthly pest control treatment services, as well as an enhanced event specific level of service prior to and during the Canadian National Exhibition.

Bidders were required to submit pricing on a “per treatment, per location” basis, lump-sum pricing for service during the Canadian National Exhibition and other pricing such as for fogging services and other related pest control services and products.

To receive consideration bidders must have had a minimum of five years' experience in the provision of pest control services in food courts/large restaurants, large public assembly environments and warehouses, all similar to the various locations and operations on site. Bidders were required to submit with their bid three references for each service category.

In addition, bidders were to also have a strong comprehension of environmentally friendly techniques, equipment and programs, as well as LEED Certification and the requirements to obtain and maintain LEED Certification. As noted in the RFQ, the successful bidder is expected to monitor the types of products used and services provided to ensure they follow the guidelines of acceptance set forth by LEED and ensure any new products, programs and equipment that can contribute to LEED Certification are shown to the appropriate Exhibition Place staff for possible implementation. Hence there was a requirement of the RFQ for the Bidders to have a minimum 3 years' experience in servicing LEED certified facilities.

The RFQ closed on May 20, 2015 with five bids received. The results were as follows:

Bidder	Evaluated bid price based on all requirements			
	Oct. 1, 2015 to Sept. 31, 2016	Option Year 1 % Increase	Option Year 2 % Increase	Option Year 3 % Increase
The Steritech Group	\$37,969	0%	0%	0%
Pro PCO Services	\$39,804	3%	1.5%	1.5%
Reliable Pest Control	\$54,040	3%	4%	5%
Cannon Hygiene Canada Ltd.	\$54,338	0%	0%	0%
Orkin Canada Corp.	\$74,820	0%	0%	0%

The Steritech quotation is the overall lowest acceptable bid received in compliance with all requirements. Steritech has over 8 years of experience in following LEED protocols. Some of the properties that have adopted Steritech's Low Environmental Impact Pest Management Policy for LEED certification include TD Centre, Toronto Eaton Centre, TD Canada Trust Tower, Royal Bank Plaza, Brookfield Place and Metro Centre.

Founded in 1986, Steritech's list of current clients includes Metro Toronto Convention Centre, Apotex, Gerrard Square, Oxford Properties, and Cadillac Fairview Corporation. Steritech is a leading provider of specialized brand protection services and the second-largest commercial only pest prevention providers in North America. They were the first structural pest management organization to be recognized and awarded by the US EPA (Environmental Protection Agency)

for their stewardship in the area of reduced pesticide usage. Steritech also provide services to some of our tenants, including BMO Field, Liberty Grand, Ricoh Coliseum and Medieval Times. Staff report favourably on Steritech's past performance at Exhibition Place.

The City of Toronto Fair Wage and Labour Trades Office confirms that Steritech is in compliance with the Fair Wage requirements for this work.

Staff recommend the approval of an agreement with Steritech on the following terms and conditions:

- (a) Term: One year commencing October 1, 2015 with the option to extend for three additional one-year periods subject to satisfactory performance review and budget availability.
- (b) Pricing: Pricing is to be fixed during the term of the Agreement in accordance with the terms of the RFQ.
- (c) Assignment: The agreement shall not be assigned by Steritech without written consent of the Board.
- (d) Indemnity/Insurance: Steritech shall provide proof of insurance in a form and amount satisfactory to the Board and containing provisions including the Board, City of Toronto, and Maple Leaf Sports & Entertainment as additional insured with a cross liability/severability of interest clause of standard wording.
- (e) Union Obligations: Steritech shall comply with all trade union/association agreements affecting work done on the grounds.
- (f) Other Commercial Terms: The agreement shall include other standard commercial terms respecting termination and other matters in a form satisfactory to the City Solicitor and the CEO.

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