



# Exhibition Place

## Item No. 10

November 19, 2014

To: The Board of Governors of Exhibition Place

**ACTION REQUIRED**

From: Dianne Young, Chief Executive Officer

Subject: **Agreement Extension for Janitorial Products**

### Summary:

This report recommends approval of a six-month extension to November 30, 2015 to the existing agreement which is set to expire on May 31, 2015, between the Board and Mister Chemical Ltd. for the non-exclusive supply and delivery of various janitorial products to Exhibition Place.

### Recommendation:

**It is recommend that the Board approve a six-month extension to the agreement with Mister Chemical Ltd. commencing June 1, 2015, on the same 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:

Approval of the Agreement between the Board and Mister Chemical Ltd. will result in a projected annual expenditure of \$306,466, of which \$256,466 is recovered from Board clients. The remaining \$50,000 base building cost is provided for in the 2015 Operating Budget.

### Decision History:

The Exhibition Place 2004 to 2016 Strategic Plan has 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 April 12, 2011, the Board approved an agreement with Mister Chemical Ltd. for a four-year term commencing June 1, 2011 and expiring May 31, 2015.

### Issue Background:

The Board's current agreement with Mister Chemical Ltd. is set to expire on May 31, 2015 and under normal circumstances staff would be issuing a Request for Quotation to establish a new supply agreement through the City of Toronto in January of 2015. However given the expected site demands for the spring and summer of 2015 with respect to an early Honda Indy, followed by the TO2015Games and then the CNE, staff would like to extend this agreement. 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.

### Comments:

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, Mister

Chemical Ltd. In addition, as part of the existing agreement, Mister Chemical Ltd. is required to repair, replace and/or provide additional toilet tissue dispensers, hand towel dispensers, chemical proportioning systems and soap dispensers as requested by the Board during the full term of the agreement.

With the Toronto 2015 Pan American/Parapan games and Exhibition Place being designated CIBC PanAm Park, staff have concerns respecting the logistics and transition of bringing a new supplier on board so close to the this major event. There would be significant pressure on staff to integrate this new supplier and additional concerns with respect to the transition to new product dispensers (responsibility of the supplier) and chemical product training.

By extending the existing agreement by six months to expire at the end of November 2015 would allow Housekeeping Services to provide proper and timely service delivery to all major events and shows.

Mister Chemical Ltd. has confirmed that it will hold its quoted fourth year term item pricing for an additional 6-month period at the fourth year price commencing upon June 1, 2015 and ending on November 30, 2015.

Staff are recommending approval of a six-month extension to the existing agreement with Mister Chemical Ltd. on the following terms and conditions:

- (a) Term: Six months commencing June 1, 2015 and expiring on November 30, 2015.
- (b) Pricing: Pricing is to be fixed during the term of the Agreement in accordance with the fourth year pricing of the RFQ.
- (c) Equipment: Mister Chemical will continue to 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 shall not be assigned by Mister Chemical without written consent of the Board.
- (e) Indemnity/Insurance: Mister Chemical 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 30 days' notice of any intention to cancel or not to renew the policy. Mister Chemical 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, 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 shall comply with all trade union/association agreements affecting work done on the grounds.
- (g) Training: Mister Chemical shall provide training on product uses to Board staff along with enhanced training during orientation meetings for summer staff prior to the annual Canadian National Exhibition.
- (h) 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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