



Exhibition Place

Item No. 22

June 6, 2011

To: The Board of Governors of Exhibition Place

ACTION REQUIRED

From: Dianne Young, Chief Executive Officer

Subject: **Rental of Stationary Compactors Agreement – 2011 to 2015**

Summary:

This report recommends the Board enter into an agreement with Metro Compactor Services Inc. (Metro), commencing August 1, 2011 to July 31, 2012, with the option to extend for an additional three separate one year periods, for the provision of various types of self-contained stationary compactors on a rental basis to Exhibition Place.

A Request for Quotation (RFQ) process was issued through the City of Toronto, Finance Department, Purchasing and Materials Management Division (PMMD) for the supply of various types of self-contained stationary compactors, on a rental basis, including delivery, removal and installation for the Canadian National Exhibition (CNE) and Exhibition Place and Metro was the sole bid received.

Recommendation:

It is recommended that the Board approve an agreement with Metro for a period of (1) year, with the option to extend for an additional three separate one 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 stationary compactor services is \$29,400, to be shared equally between CNEA and Exhibition Place Programs, and is provided for in the 2011 Operating Budgets, and will be provided for in the 2012, 2013 and 2014 Operating Budgets.

Decision History:

In June 2006 an RFQ was awarded to Metro by the CNEA for the provision of various stationary compactors on a rental basis for use during the 2006 CNE period. The call included option year pricing for 2007. Following the 2006 CNE, Metro indicated that the units could remain on site for use by Exhibition Place and that the price would cover a full year rental. Accordingly, Cleaning Services revised its approach in dealing with bulk waste and incorporated the use of these assets into the equipment mix in servicing the site. The rental fees never increased for 2008 through 2010, and for each year a separate order was issued.

Issue Background:

The term of the exiting agreement for the rental of self-contained stationary compactors is set to expire on July 31, 2011.

Comments:

On April 27, 2011, Exhibition Place, through the services of the City of Toronto, issued a Request for Quotation to establish a new agreement for the provision of various types of self-contained stationary compactors, on a rental basis, commencing August 1, 2011.

The RFQ listed various types of compactors, including delivery, installation, maintenance and removal, required for use by both CNE and Exhibition Place Programs. The RFQ price schedule was structured in a manner that required bidders to submit firm unit prices for the CNE period as well as year-round rental of 7 compactor units. In addition, bidders were required to state their percentage increases for each optional year and percentage discounts offered. The RFQ closed on May 12, 2011, with one bid received from Metro with pricing was as follows:

Rental per CNE period only	\$31,500
Rental for 12 month period including CNE	\$29,400

The pricing quoted for only the CNE period is marginally greater than that of a full year period, varying by \$2,100.

Metro is Canada's leading expert in waste and recycling equipment, producing top-of-the-line equipment. Their service fleet—the industry's largest in Canada—repairs and maintains equipment of every make, model, and size, in every marketplace. References include Wal-Mart, Mass Environmental and the Toronto Housing Corporation.

Exhibition Place Cleaning Services report favourably on Metro's past performance at Exhibition Place. The City of Toronto Fair Wage and Labour Trades Office confirms that this bidder is in compliance with the Fair Wage and Labour Trades requirements for this work.

The substantial terms of the agreement will be as follows:

- (a) Term: One year commencing August 1, 2011 with the option to extend for an additional three separate one-year periods subject to satisfactory performance review and budget availability.
- (b) Pricing: Pricing be fixed during the term of the Agreement.
- (c) Assignment: The agreement between the Board and Metro shall not be assigned by Metro without written consent of the Board.
- (d) Indemnity/Insurance: Metro 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.
- (e) Union Obligations: Metro shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place.
- (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.

Contact

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