



Exhibition Place

Item No. 30

April 12, 2011

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **Agreement for Janitorial Products**

Summary:

This report recommends approval of a four year (2011 to 2014) agreement between the Board and Mister Chemical LTD for the non-exclusive supply and delivery of various janitorial products to Exhibition Place. On February 7, 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 janitorial supplies with 2 bids received from Morgan Scott Partnership and Mister Chemical LTD.

Recommendation:

It is recommend that the Board approve an agreement with Mister Chemical LTD commencing June 1, 2011, with the option to extend for an additional three (2012, 2013 and 2014) separate one year periods, 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 is provided for in the 2011 Operating Budget, and will be provided for in the 2012, 2013 and 2014 budgets.

Decision History:

At its meeting of May 2, 2008, the Board approved an agreement with Morgan Scott Partnership for a three-year term commencing May 1, 2008 and expiring April 30, 2011.

Issue Background:

Cleaning 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 that provides soap, tissue and towel dispensers along with training required for use of its supplies and chemicals.

On February 7, 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 janitorial supplies commencing June 1, 2011, which closed on February 22, 2011, with 2 bids received from Morgan Scott Partnership and Mister Chemical LTD.

Comments:

For comparative and evaluation purposes the RFQ listed seventy-two 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. In keeping with the Board's environmental initiatives, bidders were asked to provide percentage discounts off published list prices for related products, and were also asked to indicate if their bid offered products with environmental benefits outside of any specifications called for in the RFQ, and, if required, provide written verification of any environmental claims made in their bids/proposal satisfactory to the Board's Environmental Benefit Review Committee.

Based on the pricing received and financial analysis, the one-year evaluated bid total price, along with the option year prices, excluding HST, are as follows:

BIDDER	1 YEAR	Optional 1 YEAR % Increase	Optional 2 YEAR % Increase	Optional 3 YEAR % Increase
Mister Chemical LTD	\$ 306,465.76	2% \$322,262.96	2% \$328,708.22	2% \$335,282.39
Morgan Scott Partnership	\$ 312,329.07	4% \$328,103.27	4% \$341,227.40	4% \$354,876.49

As part of this agreement, the successful Bidder shall be 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.

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.

After reviewing the bids received, Exhibition Place staff interviewed the lowest bidder and evaluated some of the alternative products offered. The products offered are compliant with requirements of the RFQ, and the training program presented was satisfactory and will be of benefit with respect to worker safety and enhancement of cleaning techniques.

The bid from Mister Chemical was the overall lowest received and staff are recommending approval of Mister Chemical LTD on the following terms and conditions:

- (a) Term: One year commencing June 1, 2011, 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) Equipment: Mister Chemical 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 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.

Mister Chemical LTD was established in 1973 and has been owned and managed by family since it came into existence. It is centrally located in Toronto, with 8,000 items in stock, including over 1000 Green Seal and/or Ecologo certified products, encouraging sustainable cleaning solutions with sound cleaning procedures, training and expertise. Their references include City of Toronto Housing, the Toronto Transit Commission and Dufferin-Peel Roman Catholic Separate School Board.

Contact:

Ron Mills, Director/Facility Services

Tel: (416) 263-3044

Fax: (416) 263-3680

Email: RMills@explace.on.ca

Dianne Young, Chief Executive Officer