

August 24, 2011

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young Chief Executive Officer

Subject: Agreement for Pest Control Services

Summary:

Pest control is an essential service with the existing agreement set to expire on September 30, 2011. On May 30, 2011, Exhibition Place through the services of City of Toronto issued a Request for Quotation to establish a new agreement for the provision of pest control services commencing October 1, 2011. Five bids were received and Exhibition Place staff are recommending an agreement with The Steritech Group Corp. (Steritech) as the lowest qualified bidder commencing on October 1, 2011,

Recommendations:

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 \$56,275.00 and is provided for in the current year budget.

Decision History:

In September 2008, the Board entered into a service agreement with Steritech for the provision of pest control services, commencing October 1, 2008, expiring September 30, 2011.

Issue Background:

The term of the existing contract for pest control services is set to expire September 30, 2011.

Comments:

The RFQ included a detailed scope of work and time specific requirements for weekly, biweekly 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.

Bidder	Evaluated bid price based on all requirements			
	Oct. 1, 2011 to Sept. 31, 2012	Option Year 1	Option Year 2	Option Year 3
Professional PCO Services	\$36,360	\$37,451	\$38,574	\$40,889
Reliable Pest Control	\$43,376	\$44,677	\$46,464	\$48,788
The Steritech Group	\$48,634	\$48,634	\$48,634	\$48,634
Orkin PCO Services Corp.	\$73,140	\$79,723	\$79,723	\$79,723
Rentokil Pest Control Canada Ltd.	\$81,760	\$81,760	\$81,760	\$83,395

The RFQ closed on June 17, 2011 with five bids received. The results were as follows:

As part of the bid evaluation process, staff contacted the reference provided of the three lowest bidders in order to confirm the Bidder's responsiveness to the needs and requirements of the client. In its analysis of the bids, staff noted that the two lowest Bidders, Professional PCO Services and Reliable Pest Control, did not have the minimum 3 years' experience in servicing

LEED Certified facilities while Steritech has 4 years of experience in following LEED protocols. In addition, Steritech has well established relationships with the main consulting firms that have been hired to administer the certification process on behalf of their clients. Some of the properties that have adopted their Low Environmental Impact Pest Management Policy for LEED certification include TD Centre, Toronto Eaton Centre, TD Canada Trust Tower, Royal Bank Plaza, Brookfield Place (formerly BCE) and Metro Centre Marketplace. Accordingly, the Steritech quotation is the overall lowest acceptable bid received in compliance with all requirements.

Founded in 1985, Steritech's list of current clients includes Metro Toronto Convention Centre, Brookfield Properties and Cadillac Fairview Corporation. Steritech is a leading provider of specialized brand protection services and one of the largest commercial only pest prevention providers in North America. They have twice been recognized by the US EPA (Environmental Protection Agency) for their work in reducing pesticide usage. As the incumbent to the site, 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 are recommending the approval of an agreement with Steritech on the following terms and conditions:

- (a) Term: One year commencing October 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) 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, CNEA, and the City of Toronto 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.

For the information of the Board, CNE Operations has reviewed with staff the recommended supplier and concur with the recommendation.

Contact(s):

Arlene Campbell, General Manager Sales & Event Management Department Tel: (416) 263-3030 Fax: (416) 263-3019 Email: acampbell@directenergycentre.come Ron Mills, Director Facility Services Tel: (416) 263-3044 Fax: (416) 263-3680 Email: <u>Rmills@directenergycentre.com</u>

Submitted by:

Dianne Young Chief Executive Officer