

EXHIBITION PLACE

April 10, 2005

To: The Board of Governors of Exhibition Place

From: Dianne Young
General Manager & CEO

Subject: **Agreement for Janitorial Supplies**

Purpose:

To submit for approval the terms and conditions for an agreement to provide janitorial supplies to Exhibition Place and the NTC.

Financial Implications:

The projected annual expenditure for janitorial supplies is \$331,000 of which \$108,000 is recoverable from clients of the Board. The remaining \$223,000 is provided for in the 2005 Operating Budget of the three Program areas.

Recommendation:

It is recommended that the Board enter into agreement with G. T. French Paper Ltd. ("French") for the provision of janitorial supplies to Exhibition Place on such terms and conditions as contained in this report, the Request for Quotations or as required by the General Manager & CEO and the City Solicitor.

Background:

In February 2002, the Board awarded a request for proposal to Mister Chemical Ltd for the provision of janitorial supplies for a three-year term from April 1, 2002 to March 31, 2005.

Comments:

In February 2005, Exhibition Place, through the City of Toronto Finance Department's Purchasing and Materials Management Division issued an RFQ for provision of janitorial products to eighty-one listed suppliers. Five quotations were received from Mister Chemical Ltd., Swish Maintenance Ltd., Advantage Products Co., Jestlyn Products Inc. and G. T. French Paper Ltd.

For comparative purposes the RFQ listed fifty-five specific janitorial products along with their projected annual usage and required bidders to submit firm unit pricing for each year of the three-year term. Bidders were also required to provide percentage discounts off published list prices for related products.

For evaluation purposes of the various chemicals offered, due to differences between chemical dilution systems, bidders were required to submit unit pricing in "ready to use" diluted form. Towel and tissue evaluation was based on linear measure as opposed to usage by "pull sheet size" which is subjective and not easily quantified.

Given that the Board does not own its towel, tissue and soap dispensers, bidders were required to submit details on the types of these fixtures offered and all to be supplied, installed and maintained at the bidder's expense. At a minimum, bidders had to offer "hands free" towel, multi-roll tissue and cartridge soap dispensing fixtures comparable to the fixtures currently in use.

In addition, the RFQ outlined as a requirement that the Board expected to maintain at a minimum the efficiencies derived from the use of bulk paper dispensing systems, concentrated chemical dilution systems and just in time delivery service. It was noted that notwithstanding the specifications contained in the product listing, alternate products offered would receive consideration if they were considered suitable for the intended application.

Bidders were also expected to submit details on training programs, supply guarantees, delivery and references.

Based on the unit pricing received and financial analysis, the three-year evaluated bids inclusive of all taxes were as follows:

Mister Chemical Ltd. (Alternate bid)	\$917,812
G. T. French Paper Ltd.	\$938,436
Mister Chemical Ltd. (Base bid)	\$990,401
Advantage Products Co.	\$1,037,926
Swish Maintenance Ltd.	\$1,095,897
Jestlyn Products Inc.	\$1,119,121

Staff from both Exhibition Place Cleaning Services and the National Trade Centre have reviewed the bids received, interviewed the two lowest bidders and evaluated certain products offered.

Mister Chemical Ltd. along with its base bid offered ten alternate products, the pricing of which was taken into consideration as an alternate bid. Included as part of these alternates were both 1-ply and 2-ply jumbo toilet tissue and jumbo toilet tissue dispensers. Staff evaluated these alternate products and report that they were not suitable for use at Exhibition Place.

Staff determined that the products offered by French perform satisfactorily in accordance with the requirements set forth in the RFQ. The chemical dilution systems offered are superior to those currently in use both from an ease of use and employee safety perspective. The towel and tissue dispensers are acceptable and are suitable for the intended application. The training program presented was impressive and will be of immense benefit with respect to worker safety and enhancement of cleaning techniques. Staff did note that the size of sheet paper towel from the dispensers is 30% longer than the sheets currently in use but that this (subjective as it is) would not

necessarily result in an increase in paper consumption since fewer sheets may be used.

French is a privately held Hamilton based corporation in existence for 135 years with over \$40 million in sales in 2004. Their major clients are private sector firms such as the Martin Building Maintenance/Hurley Corporation who provide contract building cleaning to the office towers in downtown Toronto. Their public sector clients include the Hamilton-Wentworth District School Board. They operate out of a 65,000 square foot warehouse facility with their own fleet of delivery vehicles. The products offered include paper manufactured by Cascades and chemicals manufactured by Johnson Diversy, both of whom are leaders in the sanitation industry from both an environmental and quality perspective. Staff are confident that French will provide exemplary service and quality products.

Therefore, the evaluation team are recommending that the Board enter into a three-year agreement with French on the following substantial terms and conditions and such other terms and conditions satisfactory to the City Solicitor and General Manager & CEO:

- (a) Term: Three years commencing May 1, 2005.
- (b) Pricing: Pricing to be fixed during the term of the Agreement in accordance with the RFQ.
- (c) Dispensers: French will provide, install and maintain 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. These installations will be removed at the end of the term.
- (d) Union Agreements: French shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place.
- (e) Assignment: The agreement between the Board and French shall not be assigned by French without the consent of the Board.
- (f) Insurance/Indemnity: French shall provide proof of insurance in a form and amount satisfactory to the Board and containing provisions including the Board, CNEA, O&Y-SMG Canada 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 thirty days notice of any intention to cancel or not to renew the policy. French shall indemnify the Board, the CNEA, O&Y-SMG Canada 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 French, or its employees or any other person for whom it is in law responsible, in the supply and quality of the equipment.
- (g) Other Terms: Such other terms and conditions as contained in the Request for Quotations or as required by the General Manager & CEO and the City Solicitor.

Conclusions:

This report recommends the Board enter into agreement with French for the provision of janitorial supplies in accordance with this report, the terms of the RFQ and such other terms and conditions required by the General Manager & CEO and the City Solicitor. Ms. Arlene

Campbell, General Manager of The National Trade Centre is in agreement with the terms and conditions outlined in this report.

Contact:

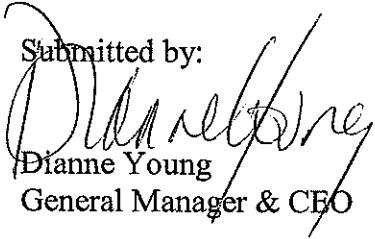
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Submitted by:



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