

The Regional Municipality of York

Housing York Inc.
October 1, 2015

Report of the
General Manager

Contracts for Janitorial Services

1. Recommendations

It is recommended that:

1. The Board approve the award of five contracts for janitorial services to Greencare Janitorial Systems, pursuant to Request for Tender, T-15-29.
2. Housing York Inc., enter into five agreements with the contractor for the janitorial services on the following terms:
 - (a) The term of each agreement be for two years commencing on November 1, 2015 and expiring on October 31, 2017.
 - (b) Housing York Inc., pay the contractor an aggregate fee of \$573,866 for the two year terms of the five agreements.
3. The General Manager be authorized to execute the five agreements on behalf of Housing York Inc.
4. The General Manager be authorized to exercise the option to extend the five agreements for a further term of one year, expiring on October 31, 2018. The extension must be within the approved budget and is equal to the lesser of any increase in the Ontario Consumer Price index or three per cent.

2. Purpose

Housing York Inc. issued a public tender for janitorial services in all five of its geographic zones and seeks approval to award the individual service contracts totalling \$573,866, to Greencare Janitorial Systems as the low bidder in all five of the zones.

3. Background

Housing York Inc.'s Purchasing Bylaw requires contracts over \$500,000 in value be approved by the Board of Directors

With the growth in the Housing York Inc. portfolio and introduction of two plus one year janitorial service contracts, the tendered value of the contracts now exceeds \$500,000. Purchasing Bylaw 6-14 states that contracts with a value exceeding \$500,000 are subject to approval by the Housing York Inc. Board of Directors.

Multiple Contracts

Janitorial services are secured through a public tendering process. The portfolio of apartment complexes is divided into five geographic service zones in order to promote participation by small to medium sized local cleaning firms. The lowest bidder in each service zone is awarded the contract. Partitioning the portfolio into separate service zones with individual contracts also provides an effective risk mitigation strategy for portfolio coverage.

4. Analysis and Options

A public tender was issued offering a two-year contract with an option to renew for an additional year at the sole discretion of Housing York Inc.

The tender closed on June 28, 2015 with nine companies responding. Greencare Janitorial Systems submitted the low bid in each of the five groups. The aggregate value of the low bids for the initial two years is \$573,866 as shown in the Pricing Summary in Table 1.

Table 1
Pricing Summary

Service Zone	Location	Two-Year Bid (\$)
A	Sutton / Keswick	147,096
B	Newmarket	109,730
C	Newmarket / Aurora	72,000
D	Richmond Hill / Stouffville	142,800
E	King / Vaughan	102,240
Total		573,866

Historically, the janitorial contracts have been awarded to multiple contractors. It is unusual that a single contractor has submitted the lowest bid in all five service zones.

Greencare is a well-established firm with over thirty years of experience. It has been successful in securing contracts with Housing York Inc. in the past and is currently providing service to Elmwood Gardens. To ensure expected levels of performance are achieved; staff will organize pre-commencement meetings for each of the zones where benchmark performance expectations will be established. Initial site meetings will be scheduled with the contractor on a bi-weekly basis. Once satisfactory levels are established, meetings will be held bi-monthly. Performance will be monitored on an ongoing basis to ensure that prescribed service levels are maintained.

[Link to key Council-approved plans](#)

These contracts are in compliance with Housing York and the Region's purchasing policy and demonstrate a fiscally prudent and efficient Region as stated in the Region's 2015-2019 Strategic Plan.

5. Financial Implications

Housing York Inc. has made adequate provision in its Operating Budget to accommodate the cost of the janitorial services.

6. Local Municipal Impact

There are no local municipal implications associated with this report.

7. Conclusion

Quality janitorial services are an important component of the Housing York Inc. building maintenance plan.

Purchasing Bylaw 6-14 requires the Board's approval to award service contracts over \$500,000 in value. Therefore staff are seeking approval to award.

For more information on this report, please contact Rick Farrell, General Manager at ext. 72091.

Contracts for Janitorial Services

The Senior Management Group has reviewed this report.

Recommended by:

Approved for Submission:

Rick Farrell
General Manager

Adelina Urbanski
President

September 17, 2015

Attachment (1)

#6273861

Accessible formats or communication supports are available upon request

**Table 1
Pricing Summary of Janitorial Services Contract**

Contractor	Zone A (\$)	Zone B (\$)	Zone C (\$)	Zone D (\$)	Zone E (\$)	TOTAL (\$)
A to Z Group	214,220	188,600	108,780	217,000	139,520	868,120
Dean Clean				393,912		393,912
SQM Janitorial	335,934	258,616	153,254	344,822	230,630	1,323,258
Green Care	147,096	109,730	72,000	142,800	102,240	573,866
Kleenway		112,500	74,274	194,304	118,281	499,359
Arsenal			96,623	158,126	137,108	391,859
CA Sellers	208,206	229,600				437,806
Impact		246,223	141,575	276,017		663,816
Wynford		329,033	239,115	316,472	334,703	1,219,325

* Please note that the totals represented in the zone columns have been rounded down to the lowest cent.