



TO: Chair and Members of the Finance & Facilities Committee

FROM: Emily Williams, Chief Executive Officer (Interim)
Christopher Mackie, Medical Officer of Health

DATE: 2021 July 15

JANITORIAL SERVICES – CONTRACT EXTENSION AWARD

Recommendation

It is recommended that the Finance & Facilities Committee make a recommendation to the Board of Health to extend a one-year contract for janitorial services to Grete Services for \$163,161 for leased premises located at 355 Wellington Street, Suite 110, London Ontario.

Key Points

- The base contract for cleaning services has increased by 60% from \$103,367 to \$165,779 as a result of COVID-19-related increased cleaning protocols and 7 day-per-week scheduling;
- Opportunities to tender this work were limited due to COVID restrictions;
- The contract extension will decrease total cleaning costs for the coming year by 1.2% to \$163,161.

Background

On March 5, 2020 the Finance and Facilities Committee received a report regarding janitorial services which awarded a one-year contract to Bee Clean Services who provided the lowest acceptable bid at \$108,203 annually. Bee Clean Building Services is the current contractor to Citi Plaza. The relocation in January 2020 to the Citi Plaza location provided the Health Unit with an opportunity to reduce its overall square footage from 85,000 to 68,000 and consolidate two locations in the downtown core of London. The janitorial services cost represented a 29% decrease in expenditure over the previous contract at 50 King Street.

Through additional efficiency gains, this \$108,203 cost was further reduced to \$103,367. However, the onset of the COVID-19 pandemic significantly increased these costs due to the requirement for increased cleaning protocols as well as the move to a 7-day work week at the Health Unit. Revised costs are listed below.

Subtotal	Preliminary Contract - Total	COVID Increased Services	TOTAL
Monthly	\$7,622.95	\$4,602.65	\$12,225.60
Tax	\$990.98	\$598.34	\$1,589.33
Total	\$8,613.93	\$5,200.99	\$13,814.93
Annual	\$103,367.20	\$62,411.93	\$165,779.14

As a result of these increased cleaning requirements, costs increased by 60% to \$165,779 annually.

Quote

The length of the contract with Bee Clean Building Services (now known as Grete Services) was one year. However, COVID-19 restrictions in the first quarter of 2021 have limited the ability to re-issue a revised tender for cleaning services as MLHU staff were limiting non-essential staff and visitors on site.

As a result, a revised quote was requested from Grete Services for the upcoming year and the costs are listed below.

Subtotal	Preliminary Contract - Total	COVID Increased Services	TOTAL
Monthly	\$7,823.77	\$4,208.76	\$12,032.53
Tax	\$1,017.09	\$547.14	\$1,564.23
Total	\$8,840.86	\$4,755.90	\$13,596.76
Annual	\$106,090.32	\$57,070.79	\$163,161.11

The preliminary contract costs have increased by 2.6% to \$106,090 while the total costs decreased by 1.2% to a total of \$163,161. The increase to the base contract was attributed to a union wage increase, as well as an increased need for first floor clinic cleaning by 30 minutes.

Conclusion

It is recommended that a single source contract be extended for janitorial services for one (1) year in duration. The contract will be reassessed in March 2022 and a public tendering process will be undertaken when the Health Unit staff can provide a comprehensive assessment of the janitorial services in a safe and effective manner.

This report was prepared by Procurement & Operations, Healthy Organization Division.



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