



TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health/CEO

DATE: 2018 March 1

JANITORIAL SERVICES – CONTRACT AWARD

Recommendation

It is recommended that the Finance & Facilities Committee recommend that the Board of Health award the following one-year contract for janitorial services to:

- 1) GDI Integrated Facility Services: \$136,674 – for leased premises located at 50 King Street and 399 Ridout Street, London, Ontario; and*
- 2) GDI Integrated Facility Services: \$16,722 – for leased premises located at the Kenwick Mall, 51 Front Street, Strathroy, Ontario.*

Key Points

- A tender for janitorial services was issued on December 22, 2017. Part A of the tender included leased property at 50 King Street and 399 Ridout Street in London, Ontario. Part B included leased property at 51 Front Street in Strathroy, Ontario.
- The new contract would be effective March 5 and would be one year in duration, with the option to renew for one additional year.
- Three bids were received on January 19, 2018. The 2018 contract represents a 0.25% decrease from the 2017 rate and a 1.85% increase for the 2019 optional year.

Background

The Health Unit currently engages two janitorial contractors to provide services at the following leased premises:

- 1) 50 King Street offices (including leased meeting room space in the county building at 399 Ridout Street), and
- 2) 51 Front Street, Kenwick Mall, in Strathroy, Ontario.

Janitorial services for the leased space at 201 Queens Avenue is managed through Farhi Holdings Corporation.

The previous tender was issued in 2014 for a two-year term, with the option to renew for a third year. The 2017 option year included an hourly wage increase to the living wage, which increased the contract by 12.6% to \$136,473.60 annually for 50 King and 399 Ridout. Similarly, the option year for 51 Front Street increased by 19.4% to \$17,319.12.

2017 Request for Tender

On December 22, 2017, the Health Unit issued a request for tender for janitorial services. A site visit was conducted on Friday, January 12, 2019, to enable bidders to review and verify the local conditions and facility structure, and to address any foreseen difficulties they may encounter over the duration of the contract. The site visit was attended by four potential bidders.

The tender was publically opened on Friday, January 19, 2018, and three submissions were received.

This recommendation is based on the lowest bid(s) that meet all terms, conditions, and specifications as outlined in the tender. The tender pricing includes all labour, equipment, and supplies, and excludes HST.

Conclusion

As a result of the tender process undertaken, it is recommended that two contracts, each being one year in duration with the option to renew, be awarded to the following companies for janitorial services:

- 1) GDI Integrated Facility Services: \$136,674 – for leased premises located at 50 King Street and 399 Ridout Street, London, Ontario; and
- 2) GDI Integrated Facility Services: \$16,722 – for leased premises located at the Kenwick Mall, 51 Front Street, Strathroy, Ontario.

The new rates will take effect on March 5. Janitorial costs at 50 King and 399 Ridout will increase marginally, by 0.14% for 2018 and 2.28% for the 2019 option year. This cost increase includes a new collective agreement signed by the GDI Integrated Facility Services contractor and CUPE effective January 1, 2018. However, these labour cost increases are mitigated by a change in the scope of work. In addition, the janitorial costs for 51 Front Street will decrease by 3.45% in 2018 due to a change in service providers.

This report was prepared by the Procurement and Operations team, Corporate Services Division.



Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health/CEO