



TO: Chair and Members of the Board of Health

FROM: Christopher Mackie, Medical Officer of Health / CEO

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SINGLE SOURCE CONTRACT AWARDS

It is recommended that the Finance & Facilities Committee recommends the Board of Health receive Report No. 016-20FFC, re: “Single Source Contract Awards” for information.

Key Points

- 1-year award of HVAC Maintenance contract to Honeywell Building Solutions for \$11,680 + HST
- 1-year award of Elevator and Service Maintenance contract to Skyline Elevator for \$4,392 + HST
- Upgrade of security and card access card readers awarded to JPW Systems for \$21,846 + HST

Background

The primary goals of a non-competitive purchase are to allow for procurement in an efficient and timely manner. Details of the policy are listed in ([Appendix A](#)). This report outlines three recent non-competitive contract awards which require reporting to the Board of Health for transparency.

The completion of the move to Citi Plaza March 31st required a review of support agreements related to the operation of the new facility. Given the new space and compressed timelines, maintaining the Landlord’s current service providers during the first year of operation is desirable. This will allow Middlesex-London Health Unit staff to gain an understanding of the scope of services required and determine an appropriate strategy for competitive bidding in 2021. MLHU staff will work the landlord to maximize economies of scales and leverage their buying power.

HVAC Maintenance

The Heating Ventilation and Air Conditioning (HVAC) maintenance contract was awarded to Honeywell Building Solutions. They are the current provider of the Building Automation System and maintenance services to Citi Plaza. The scope of their services include automation, mechanical maintenance, online support, air filter services and the ongoing support of the MLHU owned Roof Top Unit which exclusively provides air handling for the clinic. The annual value of these services is \$11,680. A 12% labour discount was provided as a result of the Citi Plaza contract. These terms comply with the non-competitive purchases protocol 3.2.2 (iii) where only one source of supply would be acceptable and cost effective at this time. Additional sources of supply will be reviewed in 2021 when as built drawings of the HVAC system will be provided by the general contractor to support a competitive bid.

Elevator Service and Maintenance Contract

The move into a new building also necessitated the creation of an Elevator Preventative Maintenance Contract. Citi Plaza issued a competitive bid and found the most cost effective and comprehensive service provider to be Skyline Elevator. The elevator maintenance cost is \$366/month or \$4,392 annually + HST.

The scope of work includes preventative maintenance visits, emergency call back services and replacement parts. Additional sources of supply will be reviewed in 2021 when as built drawings of the Elevator System will be provided by the general contractor to support a competitive bid.

Upgrade of Strathroy Door Access System

New card readers were also required for the Strathroy Office. The procurement of card readers is not related to a landlord contract. This purchase is related to the harmonization or two separate card reader systems. The closure of the King Street office impacted the ability to modify door access to the Strathroy office as both locations were using the same system. The Citi Plaza card reader system was developed in consultation with the security contractor, Emergency Planning and Joint Occupational Health and Safety Committee members. The new card system will provide a seamless transition for employees working in either one of our locations and will allow remote programming capabilities. MLHU requires a singular supplier of our security access systems to run both at Citi Plaza and in Strathroy. Separate systems would increase our security risk as we would be working with different access rights and cards across the two sites. A singular supplier is more cost efficient in the long run as the Health Unit does not need to maintain additional equipment and maintenance requirements.

This is a non-competitive bid supported in Section 3.2.2 items (iii and v). Section v identifies it would not be in the public interest to solicit competitive bids in the case of security. Meanwhile, Section iii supports a situation where only one source of supply would be acceptable or cost effective. The replacement of the card access system will not be taking the existing system offline or removing any hardware. This phase of the install is expected to be completed in 2-3 days and will focus on perimeter doors first, followed by the interior doors. Downtime will be minimal during this transition. The cost of this replacement is \$21,846 + taxes.

Next Steps

With the exception of the items identified in this report, single source contract awards will be evaluated on a case by case basis and will be brought to the attention of the Finance and Facilities Committee for update or approval.

This report was prepared by the Procurement and Operations Team, Healthy Organization Division.



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