



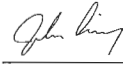

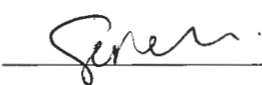
To: Public Works and Transportation Committee **Date:** November 15, 2023
From: Martin Younis, B. Eng., M. Eng. **File:** 10-6000-01/2023-Vol 01
 Director, Facilities and Project Development
Re: **Award of Contract 8157Q - Supply and Delivery of Janitorial and Cleaning Supplies**

Staff Recommendations

1. That Contract 8157Q – Supply and Delivery of Janitorial and Cleaning Supplies as detailed in the staff report titled “Award of Contract 8157Q - Supply and Delivery of Janitorial and Cleaning Supplies” dated November 15, 2023 from the Director, Facilities and Project Development be awarded for a two-year term to ICS Clean Supplies Ltd., Imperial Dade Canada Inc., and Bunzl Canada for a combined estimated annual amount of \$490,000.00 with an approximate total value of \$980,000.00 over a two-year period;
2. That the Chief Administrative Officer and General Manager, Engineering and Public Works be authorized to extend the initial two-year term, up to the maximum total term of six years, for the maximum total amount of \$2,982,000.00 as described in the report titled "Award of Contract 8157Q - Supply and Delivery of Janitorial and Cleaning Supplies," dated November 15, 2023, from the Director, Facilities and Project Development; and
3. That the Chief Administrative Officer and General Manager, Engineering and Public Works be authorized to execute the contract and all related documentation with ICS Clean Supplies Ltd., Imperial Dade Canada Inc., and Bunzl Canada.

Martin Younis, B. Eng., M. Eng.
 Director, Facilities and Project Development
 (604-204-8501)

Att. 1

REPORT CONCURRENCE		
ROUTED TO: Finance Community Services	CONCURRENCE <input checked="" type="checkbox"/>	CONCURRENCE OF GENERAL MANAGER 
	<input checked="" type="checkbox"/>	
SENIOR STAFF REPORT REVIEW	INITIALS: 	APPROVED BY CAO 

Staff Report

Origin

The City requires supply and delivery of janitorial cleaning materials and equipment to maintain the City's facilities in good condition and to protect the health and safety of staff and the public. The current contract 5857Q with Bunzl Cleaning and Hygiene has expired and is being engaged on a month-to-month basis to meet the City's needs. It is necessary to secure dedicated contractors for the long-term to ensure the continuity of this service.

This report supports Council's Strategic Plan 2022-2026 Focus Area #3 A Safe and Prepared Community:

Community safety and preparedness through effective planning, strategic partnerships and proactive programs.

3.4 Ensure civic infrastructure, assets and resources are effectively maintained and continue to meet the needs of the community as it grows.

This report supports Council's Strategic Plan 2022-2026 Focus Area #5 A Leader in Environmental Sustainability:

Leadership in environmental sustainability through innovative, sustainable and proactive solutions that mitigate climate change and other environmental impacts.

5.1 Continue to demonstrate leadership in proactive climate action and environmental sustainability.

Analysis

The City currently has 168 facilities that are used and occupied by the general public, various user groups and City staff. Supply and delivery of cleaning materials and equipment enables staff and contractors to meet cleanliness standards to protect public and worker health and safety and keep the City's facilities in good condition.

The City follows industry cleaning standards for facilities as established by the International Sanitary Standards Association (ISSA) and adapted to the City's specific needs. The ISSA standards recognize the different types of buildings, how they are used and their frequency of use to establish baseline cleaning practices. A building such as City Hall which has high interaction with staff and the public, will generally require more cleaning materials and equipment than another similar-sized building that experiences a lower-level of interaction with people.

The City issued 8157Q Supply and Delivery of Janitorial and Cleaning Supplies on June 16, 2023 and received bids by the closing date on July 31, 2023. The contract term tendered under 8157Q is for two years with an option to negotiate for an additional two (2) two-year terms. The evaluation of the tenders received was based primarily on cost, but was also scored on the bidders' capabilities, references for current and past clients and value added opportunities. A summary of bidders, the prices submitted, and contractor evaluation scores is summarized in Attachment 1.

Bidders also recognized that award of Contract 8157Q can be made to one or more contractors based on the City's assessment of the bids received.

Bid Evaluation

Seven responses were received for 8157Q Supply and Delivery of Cleaning Materials and Equipment. The bid cost items included supply and delivery of Core Items and Non-Core Items for two years (Years 1 and 2) as defined below. Contract 8157Q terms also include an option to extend the contract for an additional two (2) two-year terms (Years 3 to 4, and Years 5 to 6) through a negotiation between the City and the contractors.

Cost calculations are summarized in Tables 1 and 2. Staff are recommending award of the lowest price janitorial item from the recommended vendors (refer to Attachment 1).

Core Items

Core Items are the most common and frequent cleaning materials and equipment used by the City and include bag products, paper products, cleaning products/supplies and janitorial supplies/equipment. Costs submitted by each bidder for Core Items were used to calculate annual totals based on the City's historical quantity purchase of each product.

Non-Core Items

Non-Core Items are materials such as reusable/washable rags and equipment necessary to keep facilities clean and in good operating condition, but are infrequently purchased. Examples of Non-Core Items purchased in the past are floor polishers, scrubbers/buffers and vacuums/extractors. A Non-Core Items allowance of \$104,000.00 was included in the Contract 8157Q bid documents based on the City's historical annual spending. Staff will request and assess quotes for Non-Core Items from each contractor before completing purchase of Non-Core items.

Contingency

A contingency allowance is necessary for the transition from the current sole supplier Bunzl Cleaning and Hygiene, unforeseen demand for janitorial products and possible technological advances in sustainability and circular economy practices over the six-year Contract 8157Q term.

Table 1: Cost Calculation (Initial Years 1 and 2)

Contractor	Item	Cost (for two years)
ICS Clean Supplies Ltd.	Paper Products	\$269,840.36
Imperial Dade Canada Inc.	Bag Products	\$72,080.72
Bunzl Canada	Cleaning Products/Solutions	\$283,585.62
Bunzl Canada	Supplies and Equipment	\$37,076.28
Non-Core Items	Per 8157 Bid Documents	\$208,000.00
Subtotal		\$870,582.98
Contingency		\$109,000.00
Rounded Total (Years 1 and 2)		\$980,000.00

Table 2: Cost Calculation (Extension Years 3 to 6)

Cost bid to Extend to Year 3 and 4	Per Subtotal in Table 1	\$870,582.98
Cost bid to Extend to Year 5 and 6	Per Subtotal in Table 1	\$870,582.98
*Negotiation allowance to extend Contract 8157Q by four years		\$87,000.00
Contingency		\$174,000.00
Rounded Total (Years 3 to 6)		\$2,002,000.00
Rounded Total (Years 1 to 6)		\$2,982,000.00

*Negotiation Allowance to Extend Contract 8157Q: Contract 8157Q bidders are required to provide services for an initial two-years with an option for an additional four-years at the sole discretion of the City should the services be reliable and competitive. Pricing for an extension will be negotiated and implemented if the results represent good value to the City. An allowance for a negotiated five per cent annual increase has been included in Table 2.

Bid evaluation results show that the best value option for the City is to award Contract 8157Q Supply and Delivery of Cleaning Materials and Equipment to ICS Clean Supplies Ltd., Imperial Dade Canada Inc., and Bunzl Canada. This approach has the added benefit to the City of having back-up suppliers should there be shortages or unacceptable product delivery schedules.

Sustainability and Circular Economy

The Contract 8157Q terms provided all bidders an opportunity to submit and be recognized for products and services that facilitate the City's sustainability and circular economy goals. Examples of specifics proposed by the recommended Contract 8157Q bidders, ICS Clean Supplies Ltd., Imperial Dade Canada Inc., and Bunzl Canada follow below:

- use of recycled plastics and fibres which allow for a 70 per cent reduction in water consumption while manufacturing and packaging made from 90 per cent renewable resources;
- Eco-logo certified and packaged in 100 per cent recycled paper boxes;
- 100 per cent Canadian-owned companies with 65 per cent of manufacturing completed in Canada;
- 100 per cent biodegradable products;
- pioneering position in the development of sustainable programs and cleaning solutions;
- disposal container liners made from 100 per cent recycled post-consumer content; and
- 100 per cent recycled paper towels.

The City also has an opportunity to leverage technological advancements in the areas of sustainable supply of cleaning products and equipment during the six-year Contract 8157Q implementation period.

Financial Impact

The estimated cost to award Contract 8157Q to ICS Clean Supplies Ltd., Imperial Dade Canada Inc., and Bunzl Canada for the first two years is \$980,000.00. The estimated cost to extend the contract by an additional four years is \$2,002,000.00. The total cost to award the contract for a six-year period is \$2,982,000.00.

Funding for this award of Contract 8157Q in 2023 can be accommodated in the current Facility Services, Project Development and Community Services departments' Council-approved operating budgets.

Conclusion

A call for supply and delivery of janitorial supplies and equipment for a six-year period was publicly tendered and seven bids were received. Bidders were required to outline their capabilities according to the City's desired sustainability practices and were evaluated on cost, capabilities, references for current and past contracts and value-added opportunities. The evaluation processes determined the best value scenario for the City is to award contracts to three different contractors.



Jeff Lee
Manager, Facility Services
(604-276-4027)

Att. 1: Contract 8157Q Annual Bid pricing summary for Years 1 and 2

ATTACHMENT 1

Contract 8157Q Annual Bid pricing summary for Years 1 and 2

	Bag	Paper	Cleaning Products/ Solutions	Supplies & Equipment	Total Pricing:	Pricing	Evaluation	Total:
Weight						45	55	100
ICS Clean Supplies Ltd.	\$42,811.56	\$134,920.18	\$150,317.50	\$18,539.98	\$346,589.22	45	41	86
Imperial Dade Canada Inc.	\$36,040.36	\$150,749.86	\$181,392.04	\$20,809.09	\$388,991.35	40.09	36	76.09
Bunzl Canada	\$40,385.97	\$165,346.12	\$141,792.81	\$18,538.14	\$366,063.04	42.61	30	72.61
Grainger Canada	\$57,589.43	\$222,097.06	\$213,249.56	\$23,624.66	\$516,560.71	30.19	30	60.19
Wood Wyant Canada Inc.	\$48,923.94	\$165,786.06	\$195,591.40	\$44,061.72	\$454,363.12	34.33	22	56.33
Swish Maintenance Limited	\$35,185.59	\$152,459.07	\$326,435.07	\$40,584.85	\$554,664.58	28.12	20	48.12
eSupply Canada Ltd.	\$66,868.96	\$258,167.37	\$353,988.63	\$28,218.15	\$707,243.11	22.05	4	26.05