

HALIFAX

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 14.1.1
Halifax Regional Council
November 8, 2016

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed by 

Jacques Dubé, Chief Administrative Officer

Original Signed by 

Jane Fraser, Acting Deputy Chief Administrative Officer

DATE: October 31, 2016

SUBJECT: **Award – Tender 16-071 Janitorial Services for Sackville Sports Stadium**

ORIGIN

This report originates with the requirement to supply and deliver contract janitorial services for the Sackville Sports Stadium, 409 Glendale Drive, Lower Sackville.

LEGISLATIVE AUTHORITY

Under the *HRM Charter*, Section 79, Halifax Regional Council may expend money for municipal purposes. In accordance with Administrative Order #35, The Procurement Policy, Section 9 (4), which was approved by Regional Council on June 8, 2004, and most recently amended on May 15, 2012, Administrative Order #35, the Procurement Policy, requires Council to approve the award of contracts for sole sources exceeding \$50,000 or \$500,000 for RFP's and tenders respectively.

The following report conforms to the above Policy.

RECOMMENDATION

It is recommended that Halifax Regional Council award Tender No. 16-071 Supply and Deliver Janitorial Services for the Sackville Sports Stadium, to the lowest bidder meeting specifications, Imperial Cleaning Services, for a three (3) year contract price of \$675,120 (HST fully refundable), with an option to renew for two additional one-year terms. Funding is available from Operating Accounts Z112-6304 (janitorial services) and Z112-6407 (cleaning supplies) as outlined in the Financial Implications section of this report.

BACKGROUND

The Sackville Sports Stadium currently utilizes contract cleaning services, consistent with other HRM facilities. This approach provides for improved service standards, cost savings, more flexibility and efficiencies in how janitorial services are delivered. For the past 3 years, custodial services have been provided by Atlantic Evershine Ltd, with a 3 year total cost of \$725,854. Cleaning supplies during this period were supplied by the Sackville Sports Stadium at an additional cost of \$58,724 over the same 3 year period.

The Approved 2016/17 Operating Budget includes funds for janitorial services and supplies for the Sackville Sports Stadium.

DISCUSSION

Tender No. 16-071 was publicly advertised on the Province of Nova Scotia's Procurement website on July 6, 2016 and closed on August 2, 2016. A mandatory site meeting took place on July 20, 2016. Bids were received from following companies:

Annual Rates (excluding taxes)	Year 1	Year 2	Year 3	3 Year Total **(excluding HST)
*Imperial Cleaners Limited	\$220,080	225,240	229,800	\$675,120
D&J's Cleaning Services Limited	\$261,837	268,755	275,800	\$806,391
Atlantic Evershine Limited	\$298,954	298,954	298,954	\$896,862
C&D Cleaning & Security Services Limited	\$276,346	276,346	276,346	\$829,037

***recommended bidder**

**HST is 100% refunded on costs as 90% or more of the activities of the Sackville Sports Stadium involve providing HST taxable services/supplies.

Pending approval and the provision of security clearances for employees of Imperial Services Limited, janitorial services are expected to transition to Imperial Cleaners Limited on December 1, 2016.

FINANCIAL IMPLICATIONS

Based on the lowest tendered price of \$675,120 (HST excluded), which is less than the current annual cost of service provision, funding is available in the Approved 2016/17 Operating Budget from Z112-6304 (janitorial services) and Z112-6407 (cleaning supplies). The budget availability has been confirmed by Finance.

\$18,340.00 x 4 months (December 1, 2016 – March 31, 2017) = \$73,360.

Cleaning supplies are included in the above fee.

RISK CONSIDERATION

There are no significant risks associated with the recommendation in this report. The risks considered rate low. To reach this conclusion, consideration was given to the required services to sustain operations and meet health and safety standards.

ENVIRONMENTAL IMPLICATIONS

No Implications identified.

ALTERNATIVES

Council could direct staff to hire in-house staff and hold the current contract month over month. Based on existing service levels and the CUPE collective agreement, in-house custodial service would exceed \$550,000 annually. Therefore, this alternative is not recommended.

ATTACHMENTS

None

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Shauna MacKay, A/General Manager, Sackville Sports Stadium 902.869.4141 ext 305

Report Approved by: _____
Angela Green, Manager, Recreation Programming, 902.490.3883

Report Approved by: _____
John Traves, Q.C. Director, Legal, Insurance & Risk Management Services, 902.490.4226

Procurement Review: _____
Jane Pryor, Manager, Procurement, 902.490.4200

Report Approved by: _____
Brad Anguish, Director, Parks & Recreation, 902.490.4933

Original Signed