

# HALIFAX

P.O. Box 1749  
Halifax, Nova Scotia  
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**Item No. 11.1.4**  
**Halifax Regional Council**  
**June 8, 2021**

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:**

Original Signed by 

\_\_\_\_\_  
Jacques Dubé, Chief Administrative Officer

**DATE:** May 11, 2021

**SUBJECT:** **Increase to Contract – Tender 18-071 Janitorial Services – Outdoor Washrooms, Group 2**

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## **ORIGIN**

This report originates from a need to increase the contract group beyond 20% or \$20,000 of its original value.

## **LEGISLATIVE AUTHORITY**

The Municipality may spend money for municipal purposes in accordance with section 79A of the HRM Charter. The recommended contract award complies with all the pre-requisites for awarding contracts as set out in section 26 of Administrative Order 2020-004-ADM, the *Procurement Administrative Order*.

Section 32 of 2020-004-ADM, the Procurement Administrative Order, provides that contract amendments that exceed the greater of 20% of the original award amount or \$20,000, must be approved by Council for funds to be issued.

## **RECOMMENDATION**

It is recommended that Halifax Regional Council approve an increase to contract 18-071 Janitorial Services – Outdoor Washrooms, Group 2 in the amount of \$42,653 (net HST included) with funding from Municipal Facilities Maintenance & Operations cost centre W200, as outlined in the Financial Implications section of this report.

**BACKGROUND**

In June 2018, Tender 18-071 Janitorial Services – Outdoor Washrooms was awarded by grouping to three vendors.

- Group 1,4 & 5 - ZM Supreme Cleaning Services Ltd
- Group 2 - C&D Cleaning Ltd.
- Group 3 - Snow Solutions.

The term was for two (2) years with the option to renew for three (3) additional one-year terms.

In April 2021 the vendors were invited to exercise Year 4 of the contract, an option year. C&D Cleaning Ltd. declined to exercise the option year for group 2. ZM Supreme Cleaning Services Ltd and Snow Solutions were invited to submit a quote for the provision of janitorial services for the locations previously awarded to C&D Cleaning for Option Years 4 & 5. In addition to replacement service, quotes included an increase in daily service at one outdoor washroom location. Procurement supported this invitation.

Quotes were received from ZM Supreme Cleaning Services Ltd and Snow Solutions as follows.

**ZM Supreme Cleaning Services Ltd.** was the low bidder

<b>Vendor</b>	<b>Year 4 – option year (net HST included)</b>	<b>Year 5 – option year (net HST included)</b>	<b>Total Years 4 &amp; 5 net HST included</b>
ZM Supreme Cleaning Services Ltd.	\$ 49,901	\$ 49,901	\$ 99,802
Snow Solutions	\$ 79,466	\$ 82,167	\$ 161,633

The original 5-year award to C&D Cleaning for Group 2 was \$142,872 (net HST included). The award for Years 4 & 5 totaled \$57,149.

**DISCUSSION**

Staff has recommended an increase to Tender 18-071 Janitorial Services – Outdoor Washrooms, Group 2 for Option Years 4 & 5 in the amount of \$42,653 (net HST included). A summary of the changes is as follows:

Years 4 & 5 Original Award (net HST included)	\$ 57,149
Years 4 & 5 Quote for Replacement & Increased Service (net HST included)	\$ 99,802
<b>Request for Increase (net HST included)</b>	<b>\$ 42,653</b>

The total amount of changes for Group 2 is \$42,653 (net HST included) over two years, which represents a cumulative increase of 29.9% to the original contract value for this group of outdoor washrooms.

**FINANCIAL IMPLICATIONS**

Based on the increase of \$42,653 (net HST included) for Janitorial Services - Outdoor Washrooms funding is available in Municipal Facilities Maintenance and Operations cost centre W200.

### **RISK CONSIDERATION**

There are no significant risks associated with the recommendations in this Report. The risks considered are low. To reach this conclusion, consideration was given to financial, legal and compliance, and service delivery risks.

### **ENVIRONMENTAL IMPLICATIONS**

No environmental implications were identified.

### **ALTERNATIVES**

Council could choose not to approve the recommendations in this report and direct staff to issue a publicly posted solicitation.

### **ATTACHMENTS**

None.

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

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