



**STAFF REPORT
ACTION REQUIRED**

Performance Evaluation of Contracted Cleaning Services in Toronto Police Service Locations and Contract Renewal Options

Date:	August 28, 2012
To:	Government Management Committee
From:	Acting Chief Corporate Officer
Wards:	All
Reference Number:	P:\2012\Internal Services\Fac\Gm12014Fac- (AFS 16025)

SUMMARY

City Council requested the City Manager to report to Government Management Committee on the performance of Contract No. 47016502 in Toronto Police Service locations and advise on whether to exercise the option to renew the contract for 2013 - 2014 or issue a new Request for Proposal. This report outlines the vendor performance and recommends that the option to renew the Contract from February 1, 2013 to January 31, 2015 be exercised.

RECOMMENDATIONS

The Acting Chief Corporate Officer recommends that:

1. Government Management Committee approve the contract renewal, option period one, of Custodial Services Contact No. 47016502 with Impact Cleaning Services, for the provision of custodial services in Toronto Police Service buildings from February 1, 2013 to January 31, 2015, and that the Executive Director, Facilities Management, retain the authority to approve the second option period from February 1, 2015 to January 31, 2017.

Financial Impact

There are no financial implications arising from this report if the contract option to renew is exercised. If the contract is retendered the contract price may vary. The Deputy City

Manager and the Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

In its meeting on April 10 and 11, 2012, City Council directed the City Manager to report to the September 18, 2012, meeting of the Government Management Committee on the performance of the successful proponent, in Toronto Police Service stations and advise on whether to extend the contract in 2013 or 2014 or to put out a new call for proposals.

ISSUE BACKGROUND

In January 2011, Toronto Police Service (TPS) requested Facilities Management to investigate potential cost savings through contracting out custodial services. A cost benefit analysis was conducted and determined that there would be cost savings to TPS if cleaning was contracted out. On December 5, 2011, Purchasing and Materials Management Division and Facilities Management issued a Request for Proposals (RFP 0203-11-0056) to qualified custodial services providers for 25 TPS locations. The Bid Committee, at its meeting of February 8, 2012 awarded the contract to Impact Cleaning Services (the "Vendor"). The Contract No. 47016502 is for a one year term (\$1,863,400.47 net of all applicable taxes and charges), with two (2) additional two-year options (\$3,819,970.96 and \$3,915,470.22 net of all applicable taxes and charges, respectively), for a total extended contract value of \$9,767,781.26 net of HST including all option year renewals (excluding the contingency amount of \$32,796.00 for site floods and extraordinary events). The link to the Bid Committee report can be found at:

<http://app.toronto.ca/tmmis/decisionBodyProfile.do?function=doPrepare&meetingId=5850>

COMMENTS

Cleaning Services Contract No. 47016502.

Facilities Management contracted with Impact Cleaning Services to provide cleaning services in Toronto Police Services locations effective March 26, 2012. The short-term vendor performance has been evaluated based on the following critical success factors: (1) Contract Compliance and Risk Management, (2) Client Satisfaction, and (3) Financial Management outcomes described as follows:

Contract Compliance and Risk Management

The terms and conditions laid out in Contract No. 47016502 and RFP 0203-11-0056 (the "Contract") can be classified into four broad performance categories: (1) Contract Execution, (2) Quality and Workmanship, (3) Health and Safety, and (4) Environment. These performance categories were assessed by conducting joint contract compliance site reviews with the Vendor and City staff. The detailed reviews concluded that the Vendor

has complied with the terms and conditions set out in the Contract. Appendix 1- Quality Assurance & Contract Compliance provides a summary of the evaluation.

Of note is the Vendor's compliance with the City's Fair Wage Policy following a recent audit. The Vendor is also in good standing with the Workplace Safety and Insurance Board (WSIB) and has supplied certificates issued by the WSIB. The Vendor is fully compliant with the stipulation requiring no sub-contracting of any cleaning responsibilities.

Client Satisfaction

TPS participated in a client satisfaction survey during July to assist in providing a front-line client perspective of the Vendor's performance to date. TPS staff were asked to provide input on the Vendor's customer service, floor maintenance, surface cleaning and washroom cleaning, and to score the Vendor on an overall level of satisfaction with cleaning services. Responses indicated a 93% overall satisfaction rating from the 29 respondents.

Table 1.0 below outlines the number of responses by rating and by category. The survey results indicate that respondents are consistently satisfied with the level of performance by the Vendor. This result demonstrates a broad and consistent level of satisfaction with the contract service.

Table 1.0 – Summary Client Survey Results

Survey Response Categories	Very Unsatisfied	Somewhat Unsatisfied	Somewhat Satisfied	Satisfied	Very Satisfied
	1	2	3	4	5
Cleaning Secure Areas	-	3	-	26	-
Custodial Staff Uniforms	-		3	12	14
Custodial Cleaning Equipment	-	2	-	19	8
Time to Complete Service	-	-	3	15	11
Staff Courteous	-	1	-	10	18
Floor Cleaning	-	1	6	14	8
Dust control	-	1	5	15	8
Washroom Supplies & Stocking	1	-	5	12	11
Toilet, Urinal, & Showers Sanitation	1	1	7	8	12
Cleanliness of Washrooms & Lockers	1	2	5	12	9
Overall satisfaction	1	1	4	12	11
Satisfaction vs. Previous Year	1	2	4	12	10

Financial Management

Toronto Police Service requested Facilities Management to investigate potential cost savings through the contracting out of custodial services. A cost benefit analysis was conducted and determined that there would be cost savings to TPS if cleaning was contracted out. The annual savings to TPS is equivalent to \$800,000 per year. Key assumptions to achieving these results were:

1. The successful vendor required the same number of service hours and consumables currently budgeted to clean the TPS locations.
2. The successful proponent bid at market rates for Heavy Duty Cleaners.
3. Productive hours equal 40 hours of cleaning per week and non-productive hours for lost time associated with vacation, illness, float days, personal, and WSIB are not billable.

CONTACT

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SIGNATURE

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ATTACHMENTS

APPENDIX 1 - Quality Assurance & Contract Compliance