



REPORT FOR ACTION

Housekeeping Services Agreement

Date: March 27, 2019
To: The Board of Governors of Exhibition Place
From: Dianne Young, Chief Executive Officer
Wards: All

SUMMARY

This report recommends the Board enter into separate agreements with GDI Services (Canada) LP ("GDI") and Kleenway Services Inc. ("Kleenway") for the non-exclusive provision of housekeeping services for a (1) one-year term with three (3) additional one-year options to renew. This recommendation follows the competitive Request for Quotation process undertaken by Exhibition Place considering four (4) companies that have experience providing these services.

RECOMMENDATIONS

The Chief Executive Officer recommends that:

1. The Board of Governors approve **an** agreement with GDI Services (Canada) LP as the primary housekeeping services provider for the non-exclusive provision of housekeeping services for a (1) one-year term with three (3) additional one-year options to renew on the terms and conditions set out in this report and such other terms and conditions required by the Chief Executive Officer and City Solicitor.
2. The Board of Governors approve an agreement with Kleenway Services Inc. as the supporting housekeeping services provider for the non-exclusive provision of housekeeping services for a (1) one-year term with three (3) additional one-year options to renew on the terms and conditions set out in this report and such other terms and conditions required by the Chief Executive Officer and City Solicitor

FINANCIAL IMPACT

The funding for Housekeeping services is provided for in the 2019 Operating Budget, and will be provided for in the 2020, 2021 and 2022 Operating Budgets as required.

Annually the cost of these services ordered as required is in the amount of \$770,487.00 for labour, exclusive of HST of which 100% is recoverable from shows and tenants.

DECISION HISTORY

The Exhibition Place 2017 – 2019 Strategic Plan has a Business Development Goal to better understand our competitive positioning and as a Strategy to support this goal we will focus on Facility rental and the cost of labour that result from our collective agreements.

At its meeting of April 21, 2015 the Board approved of awards to Kleenway (primary provider) and Impact Cleaning Services (supporting provider) for the provision of Housekeeping services for a one-year period with the option to extend for an additional three one-year periods.

<https://www.explace.on.ca/files/file/58c6ba57314dd/Item-19-Housekeeping.pdf>

COMMENTS

The Request for Quotation for housekeeping services was issued by Exhibition Place on March 5, 2019 and four (4) quotations were received from Eco Living Cleaners, GDI, Kleenway and Impact Cleaning Services with the evaluated low bids meeting specifications from GDI and Kleenway.

Exhibition Place as part of its Facility Services Division provides in-house housekeeping services for base building/grounds maintenance on a daily basis and to show/event/game day and post cleaning services on an event basis. To meet increasing client service requirements and summer month's activities and in order to support our existing in-house services, an RFQ was issued to establish an agreement for the provision of additional housekeeping services on as needed basis. For clarity, the intent of these as-needed agreements are only to augment the Board's in-house capabilities and the provision of Exhibition Place unionized housekeeping staff and not to replace them. Exhibition Place staff have consulted with LiUNA 506 in the past on this direction and again informed them of the intent to issue the RFQ and requesting names of any companies LiUNA 506 would suggest that could fulfill the role as outlined in the RFQ.

The RFQ detailed the Board's specific requirements which included the ability to provide up to 140 housekeeping personnel at any one time, demonstrated experience providing service to Class A office spaces, large public assembly facilities, large malls, sports arenas, trade and consumer shows or facilities similar in size to the Enercare Centre and BMO Field, along with hourly rates for comparison purposes and indicating that the Board reserves the right to award contracts to the two overall lowest bidders to best meet operational needs. The RFQ identified that the bidder will only be used to augment the services that are above what LIUNA Local 506 is able to provide.

GDI has been operating since 1926 and has locations across Canada and the United States with over 20,000 employees servicing hotels, shopping centres, food plants, industrial facilities, airports, and facilities.

Kleenway has been operating since 1981 and incorporated in 1991 and has over 600 employees with experience providing these services in Class A office buildings, events and facilities.

Staff are recommending award in favour of the two lowest Bidders GDI and Kleenway. Based on references provided and years of experience both companies are viewed as being capable of providing the services called for and they both have the capacity to provide personnel for housekeeping services to meet the service requirements of our clients.

Terms and Conditions:

The substantial terms and conditions of the agreements with GDI and Kleenway are as follows:

- Term: One year from date of issue, on an as required non-exclusive basis, with the option to extend for three (3) additional separate one-year periods subject to satisfactory performance review and budget availability.
- GDI Hourly Rates:
 - Housekeeper: \$23.31/hour
 - Housekeeper Statutory Holidays: \$34.98/hour
 - Supervisor: \$27.38/hour
 - Supervisor Statutory Holidays: \$39.97/hour
- GDI Rates per Head and Minimum cost based on attendance:
 - Coca-Cola Coliseum post cleaning cost based on attendance, \$0.75/head
 - Coca-Cola Coliseum post cleaning cost based on attendance under 2,000 is \$2,400.00 flat rate
 - BMO Field post cleaning cost based on attendance over 5,000 is \$0.70/head
 - BMO Field post cleaning cost based on attendance under 5,000 is \$3,600.00 flat rate
- Kleenway Hourly Rates:
 - Housekeeper: \$24.85/hour
 - Housekeeper Statutory Holidays: \$24.85/hour
 - Supervisor: \$24.85/hour
 - Supervisor Statutory Holidays: \$24.85/hour
- Kleenway Rates per Head and Minimum cost based on attendance:
 - Coca-Cola Coliseum post cleaning cost for attendance over 2,000 is based on hourly rates which is \$24.85/hour
 - Coca-Cola Coliseum post cleaning cost based on attendance under 2,000, \$1,885.00 flat rate
 - BMO Field cleaning post cost based on attendance over 5,000 is at hourly rates of \$24.85/hour
 - BMO Field post cleaning cost based on attendance under 5,000 is at \$5,885.00 flat rate

- Pricing: Pricing is to be fixed during the first year of the Agreement in accordance with the terms of the Request for Quotation.
- Assignment: The agreement shall not be assigned by GDI or Kleenway without written consent of the Board.
- Insurance: Proof of insurance shall be provided in a form and amount satisfactory to the Board and containing provisions including the Board and the City of Toronto as additional insured with a cross liability/severability of interest clause of standard wording.
- Collective Agreements: Any third party requirements for workers are for augmentation purposes only on occasions when LiUNA Local 506 do not have sufficient staff to meet grounds event cleaning requirements.
- Extensions: Increases in pricing for three one-year options will be based on the Consumer Price Index (CPI), all items, Toronto and calculated three months prior to expiry of then current year agreement
- Additional Clauses: The agreement shall include other standard commercial terms respecting termination and other matters in a form satisfactory to the City Solicitor and the Chief Executive Officer.

CONTACT

Hardat Persaud, Chief Financial Officer & Corporate Secretary, 416-263-3031,
hpersaud@explace.on.ca

Laura Purdy, Acting General Manager, Sales & Event Marketing Department, 416-263-3020, lpurdy@explace.on.ca

SIGNATURE

Dianne Young
Chief Executive Officer

ATTACHMENTS
