



BID AWARD PANEL CONTRACT AWARD

Award of Doc No. 2101183619 to Ecotex Healthcare Linen Services for the provision of Laundry Services

Date: February 20, 2020
To: Bid Award Panel
From: Chief Purchasing Officer
Wards: All

RECOMMENDATIONS

The Chief Purchasing Officer recommends that the Bid Award Panel grant authority to award the following contract:

Solicitation Number:
Doc Number 2101183619

Description:

For RFP 0105-19-0127, the provision of laundry services for various City of Toronto's Seniors Services and Long-Term Care, Toronto Paramedic Services, and Children's Services locations from the date of award to February 28, 2023 (3 year fixed term) with the option to renew the Contract for one additional fixed two (2) year period at the sole discretion of the City and subject to budget approval(s).

Should the option be exercised, the Director of Management Services, Seniors Services and Long-Term Care will request the Chief Purchasing Officer of Purchasing and Materials Management to process the renewals under the same terms and conditions.

Recommended Supplier:

Ecotex Healthcare Linen Services

Contract Award Value:

\$9,246,669 net of all applicable taxes and charges (including 4.66% of miscellaneous items)

\$10,448,736 including HST and all applicable charges

\$9,409,410 net of HST recoveries

Contract is expected to start on date of award and end on February 28, 2023.

Option Year 1 (March 1, 2023 to February 28, 2025)

\$6,164,446 net of all applicable taxes and charges (including 4.66% of miscellaneous items)

\$6,965,824 including HST and all applicable charges

\$6,272,940 net of HST recoveries

The total potential cost to the City including all option years is \$15,682,351 net of HST recoveries, \$17,414,560 including all applicable taxes and charges and \$15,411,115 net of all applicable taxes and charges.

FINANCIAL IMPACT

The total contract award identified in this report is \$17,414,560 including all applicable taxes and charges. The cost to the City is \$15,682,351 net of HST recoveries.

Funding is available in the 2020 Approved Operating Budget for Seniors Services and Long-Term Care, Toronto Paramedic Services, and Children's Services. Additional funding will be included in the 2021 - 2023 Operating Budget Submission for Seniors Services and Long-Term Care, Toronto Paramedic Services, and Children's Services.

Should the City choose to exercise its option to renew for an additional one (1) two (2) year period, then appropriate additional funding, if needed, will be included in the 2023-2025 annual Operating Budget Submissions for Seniors Services and Long-Term Care, Toronto Paramedic Services, and Children's Services.

Funding details follow in Table 1:

Table 1: Financial Impact Summary of Recommended Contract

Period	Seniors Services and Long-Term Care (net of HST Recoveries) Total including 4.66% for miscellaneous items	Toronto Paramedic Services (net of HST Recoveries)	Children's Services (net of HST Recoveries)	Total (net of HST Recoveries)
Cost Centre/ Cost Element	D3*051/ 4419	B46700/ 4419	E0552M/ 2695	
Initial Term (3 Year Fixed)				
Date of Award to December 31, 2020	\$2,472,844	\$137,676	\$3,205	
Total: 2020 Budget Year	\$2,472,844	\$137,676	\$3,205	\$2,613,725
January 1, 2021 to February 28, 2021	\$494,569	\$27,535	\$641	

Period	Seniors Services and Long-Term Care (net of HST Recoveries) Total including 4.66% for miscellaneous items	Toronto Paramedic Services (net of HST Recoveries)	Children's Services (net of HST Recoveries)	Total (net of HST Recoveries)
March 1, 2021 to December 31, 2021	\$2,472,844	\$137,676	\$3,205	
Total: 2021 Budget Year	\$2,967,412	\$165,211	\$3,846	\$3,136,470
January 1, 2022 to February 28, 2022	\$494,569	\$27,535	\$641	
March 1, 2022 to December 31, 2022	\$2,472,844	\$137,676	\$3,205	
Total: 2022 Budget Year	\$2,967,412	\$165,211	\$3,846	\$3,136,470
January 1, 2023 to February 28, 2023	\$494,569	\$27,535	\$641	
Total: Contract Period	\$8,902,237	\$495,634	\$11,539	\$9,409,410
Option Term (2 Year Fixed)				
March 1, 2023 to December 31, 2023	\$2,472,844	\$137,676	\$3,205	
Total: 2023 Budget Year	\$2,967,412	\$165,211	\$3,846	\$3,136,470
January 1, 2024 to February 28, 2024	\$494,569	\$27,535	\$641	
March 1, 2024 to December 31, 2024	\$2,472,844	\$137,676	\$3,205	
Total: 2024 Budget Year	\$2,967,412	\$165,211	\$3,846	\$3,136,470
January 1, 2025 to February 28, 2025	\$494,569	\$27,535	\$641	
Total: 2025 Budget Year	\$494,569	\$27,535	\$641	
Total: Option Year	\$5,934,825	\$330,422	\$7,692	\$6,272,940
Grand Total (net of HST recoveries)	\$14,837,062	\$826,057	\$19,232	\$15,682,351

SOLICITATION SUMMARY

Call Issued: December 4, 2019

Call Closed: January 21, 2020

Number of Addenda Issued: 4

Number of Bids: 3

Table 2: Summary of Proposals Received for RFP 0105-19-0127

Ecotex Healthcare Linen Service
K-Bro Linen Systems
HLS Linen Services

Range of Scores

Of the three (3) proposals received, all three (3) proposals from the technical evaluation stage had their cost envelopes opened. Of these three (3) the highest scoring proposal received 91.24 points out of 100 while the lowest scoring proposal received 86.97 points out of 100.

DIVISION CONTACTS

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Cornel Baptista, Acting Manager, Environmental Services, Seniors Services and Long-Term Care, 416-397-9956, Cornel.Baptista@toronto.ca

COMMENTS

For the recommended contract award, the following requirements have been met:

- a. The firm recommended for award is the highest scoring Supplier based on the evaluation criteria included in the Solicitation and meeting the requirements of the solicitation;
- b. the appropriate Division has reviewed submissions and found the price to be reasonable, within available budget and concurs with the recommendation;
- c. the total contract value is less than \$20 million dollars (excluding applicable taxes) and the contract term is:
 1. for a contract funded by the operating budget, 5 years or less including any option years; or
 2. for a contract funded by the capital budget, within the projected term of the capital funding for the project as set out in the capital budget,

being within the authority of the Bid Award Panel;

d. there are no material written objections to the award;

e. the Solicitation document was advertised on the City's internet website and bids or proposals were opened publicly; and

f. the Fair Wage Office confirms the recommended firm understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

Additional details and information for the above Solicitations are on the file in the Purchasing and Materials Management Division.

SIGNATURE

Michael Pacholok
Chief Purchasing Officer