

Amendment to Non-Competitive Bridge Contract Number 47022860 to Peter Young Ltd, O/A IPS for Summer and Winter Grounds Maintenance at Various City Locations

Date: October 5, 2021

To: General Government and Licensing Committee

From: Executive Director, Corporate Real Estate Management, and the Chief Procurement Officer

Wards: All

SUMMARY

The purpose of this report is to request authority from the General Government and Licensing Committee for the Executive Director, Corporate Real Estate Management (C.R.E.M.) to amend the blanket contract value of the non-competitive bridging contract number 47022860, for Peter Young Ltd, O/A IPS for summer and winter ground maintenance services. The request is to increase the total contract value by \$300,000, net of all taxes and charges (\$305,280 net of Harmonized Sales Tax Recoveries), to a total amount of \$4,300,000 net of all taxes and charges (\$4,375,680 net of Harmonized Sales Tax recoveries), and extend the contract end date for an additional one (1) month.

This amendment is being requested to ensure continuity of services as the Purchasing and Materials Management (P.M.M.D.) and C.R.E.M. Divisions finalize the award of four (4) new competitive blanket contracts for summer and winter grounds maintenance. This amendment will allow for the closing of the bridge contract and provide sufficient time to award the new competitive solicitation in the last quarter of 2021.

General Government and Licensing Committee approval is required in accordance with Municipal Code Chapter 195, Purchasing, where the current request exceeds the Chief Purchasing Officer's authority of the cumulative five-year commitment limit for each vendor under Article 7, Section 195-7.3(D) of the Purchasing By-law or exceeds the threshold of \$500,000 net of Harmonized Sales Tax allowed under staff authority as per the Toronto Municipal Code, Chapter 71, Financial Control, Section 71-11.1.

RECOMMENDATIONS

The Executive Director, Corporate Real Estate Management, and the Chief Procurement Officer, Purchasing and Materials Management recommend that:

1. The General Government and Licensing Committee, in accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-law), grant authority to the Executive Director, Corporate Real Estate Management to amend the non-competitive bridging contract number 47022860, to add \$300,000, net of all taxes and charges (\$305,280 net of H.S.T. recoveries) to the contract, thereby increasing the contract value from \$4,000,000 to \$4,300,000, net of all taxes and charges (\$4,375,680 net of H.S.T. recoveries).

FINANCIAL IMPACT

The total estimated value of the contract amendments identified in this report is \$300,000 net of all taxes and charges (\$305,280 net of H.S.T. recoveries). This revises the current contract value from \$4,000,000 net of all taxes and recoveries (\$4,070,400 net of H.S.T. recoveries) to \$4,300,000 net of all taxes and recoveries (\$4,375,680 net of H.S.T. recoveries).

Funding for the requested amendment to the contract is available in the 2021 Council Approved Operating Budget for Corporate Real Estate Management under cost centre FA100-30 and cost element 4424 and 4413.

Cost Centre & GL Code	Initial Bridging Contract April 2020	Amendment to Bridging Contract October 2020	Amendment to Bridging Contract October 2021	Total
FA100-30 4424 & 4413	\$508,800	\$3,561,600	\$305,280	\$4,375,680
Total Cost				\$4,375,680

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as identified in the Financial Impact section.

DECISION HISTORY

At its meeting on November 12, 2015, the Bid Committee granted authority to award Request for Quotation number 6032-15-0001 to multiple vendors for summer and winter landscaping maintenance for Various City of Toronto Divisions. The award of contracts to Lima Garden and Construction and to Peter Young Ltd. o/a IPS were included in this report. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.BD56.2>

At its meeting on October 5th, 2020, the General Government and Licensing Committee adopted item GL16.12, "Extension of Non-Competitive Bridge Contracts for Summer and Winter Grounds Maintenance." This amended the existing non-competitive bridge contract number 47022860 for Peter Young Ltd., O/A IPS by adding \$3,500,000 and extending the term from November 1, 2020 to April 30, 2021. This contract was subsequently extended (time only) to October 31, 2021.

<https://www.toronto.ca/legdocs/mmis/2020/gl/bgrd/backgroundfile-156855.pdf>

COMMENTS

Contract Details

The non-competitive bridge contract number 47022860 for Peter Young Ltd., O/A IPS was issued in April 2020, initially for six (6) months and valued at \$500,000 net of taxes and recoveries, to ensure continuity of summer and winter grounds maintenance services. The intent of this bridge contract was to allow sufficient time for the development and award of a new competitive solicitation.

The new competitive solicitation development and award was delayed as City resources were impacted and focused on responding and recovering from the COVID-19 pandemic. Staff within P.M.M.D. and C.R.E.M. have been focused on and have prioritized COVID-19 response efforts, which have impacted progress on non-COVID initiatives or non-essential work.

In October 2020 the bridge contract was amended by adding \$3,500,000 and extended to April 30, 2021. The revised value of the bridge contract was \$4,000,000 net of all taxes and recoveries. This ensured services continued while C.R.E.M. and P.M.M.D. staff continued to develop a new competitive solicitation. Although the contract was subsequently extended, time only, to October 31, 2021, a further amendment is now required to ensure continuity of service to allow for the new competitive contracts to be finalized, executed and commence.

The competitive solicitation for summer and winter grounds maintenance for C.R.E.M. properties is in the final stages of the procurement process, ready for award in the fourth quarter of 2021. It is expected that four (4) new competitive contracts will be awarded through this process, commencing the winter season of 2021. The requested amendment to the bridge contract number 47022860 will ensure services are available over the next month(s) and that the bridge contract can be closed out as C.R.E.M. transitions to the new competitive contract.

C.R.E.M. and P.M.M.D. have worked closely on developing a new RFP for the grounds maintenance category with a goal to enhance the management of this category by ensuring industry best practices and standardized service models are implemented city-wide. Specific outcomes expected to be achieved over the course of the new competitive contract include:

- Standardized service delivery models
- Increased safety across facilities
- Improved supplier performance measures
- Mitigated service risks
- Maximized value for money across cost and service levels

This approach includes an outcome based service model with the objective to reduce costs and prioritize based on criticality of facilities and service requirements.

Compliance with City Policies

The Fair Wage Office has reported that all the vendors included in this report have reviewed and understood the Fair Wage Policy and labour trade requirements at the commencement of the original bridge period, and have agreed to comply fully with the City's Fair Wage Policy.

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SIGNATURE

Patrick Matozzo
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Michael Pacholok
Chief Procurement Officer, Purchasing and Materials Management