

Amendment to Blanket Contract Number 47023957 with Peter Young Ltd, o/a I.P.S. for Grounds Maintenance Services at Various City Locations

Date: February 16, 2023

To: General Government Committee

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

Wards: All

SUMMARY

The purpose of this report is to request authority from the General Government Committee to amend blanket contract number 47023957 issued to Peter Young Ltd, o/a I.P.S. for grounds maintenance services, increasing the contract value by \$1,429,206 net of all taxes and charges (\$1,454,360 net of H.S.T. recoveries), and revising the current contract value from \$4,180,500 net of all taxes and charges (\$4,254,077 net of H.S.T. recoveries) to \$5,609,706 net of all taxes and charges (\$5,708,437 net of H.S.T. recoveries). This amendment is required to ensure service continuity of required summer and winter grounds maintenance services at City of Toronto locations.

Blanket contract number 47023957 was awarded as part of negotiated Request for Proposal Document 3024590614, which led to the creation of four separate contracts, including one with Peter Young Ltd, o/a I.P.S., for the provision of grounds maintenance services at various City of Toronto locations. In parallel, Corporate Real Estate Management (C.R.E.M.) staff undertook an initiative to evaluate City-wide needs for grounds maintenance services to ensure data is available to develop a standardized approach to service delivery, which would be leveraged in future solicitations. As a result of this initiative, that concluded after the initial contract award, additional City properties are to be included as an add service in the current grounds maintenance contract. C.R.E.M. worked with the current vendors to ensure all the site details required for these additional properties are available, and rebalanced the vendor portfolios to ensure optimal service delivery. In addition, major snow events in 2022 placed significant pressure on the initial contract value, and contributed to the need to amend the current contract to ensure service continuity for the duration of the contract term.

General Government Committee approval is required in accordance with Section 71-11.1C of the Toronto Municipal Code Chapter 71 (Financial Contract By-Law), where the current request exceeds the threshold of \$500,000 net of all applicable taxes and charges.

RECOMMENDATIONS

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

1. The General Government Committee, in accordance with Section 71- 11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-law), authorize the amendment of blanket contract number 47023957 issued to Peter Young Ltd, o/a I.P.S. for grounds maintenance services, increasing the blanket contract value by \$1,429,206 net of all taxes and charges (\$1,454,360 net of H.S.T. recoveries), and revising the current blanket contract value from \$4,180,500 net of all taxes and charges (\$4,254,077 net of H.S.T. recoveries) to \$5,609,706 net of all taxes and charges (\$5,708,437 net of H.S.T. recoveries).

FINANCIAL IMPACT

The total contract amendment identified in this report is \$1,429,206 net of all applicable taxes and charges (\$1,454,360 net of H.S.T. recoveries), which will increase the contract value from \$4,180,500 net of all taxes and charges (\$4,254,077 net of H.S.T. recoveries) to \$5,609,706 net of all taxes and charges (\$5,708,437 net of H.S.T. recoveries).

Funding for the requested amendment to the contract is included in C.R.E.M.'s 2023 Approved Operating Budget in cost centre grouping FA0055 under G/L Account 4413, reflected in Table 1 below.

Table 1 - Funding Details (all values are net of H.S.T. recoveries)

Contract Number	Cost Centre & GL Code	Initial Contract (awarded October 2021)	Amendment to Contract (2023 Budget)	Total
47023957	FA0055; 4413	\$3,745,277	\$1,454,360	\$5,199,637

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 October 20, 2021, the Bid Award Panel adopted item BA159.6 "Award of Ariba Document Number 3024590614 to Various Suppliers for the Provision of Grounds Maintenance Services (Summer and Winter) for Corporate Real Estate Management," granting authority to award various property groups for winter and summer services to Peter Young Ltd, o/a I.P.S. for a term of two (2) years from the date of award for a total amount of \$3,680,500 (excluding taxes).

<https://secure.toronto.ca/council/agenda-item.do?item=2021.BA159.6>

COMMENTS

Contract Details

In October 2021, four vendors, including Peter Young Ltd, o/a I.P.S., were awarded contracts to provide winter and summer grounds maintenance services at various City properties. Winter services include work such as snow removal and ice management, and are required at various City properties including Civic Centres, emergency services properties and yards. These services are required to ensure the health and safety of those occupying and visiting the properties. Summer services include scheduled and on-demand landscaping services across similar properties.

The initial 2021 contract award included three hundred (300) properties used by multiple City divisions. In parallel to the solicitation, C.R.E.M. undertook an initiative to modernize and apply industry best practices and standards to its service delivery and solicitations. As part of this initiative, staff gathered data on relevant property and site information that revealed the need for additional City properties to be serviced through the grounds maintenance contract. This initiative was completed after the initial contract award, and therefore the additional City properties are to be included as an add service in the current contract. C.R.E.M. has worked with all four awarded vendors to ensure the site details required for these additional properties are available. The new information on City properties allowed C.R.E.M. to rebalance the grounds maintenance portfolio amongst the four awarded vendors, although the rebalancing requires the contract value for Peter Young, o/a I.P.S. to be increased. Lastly, major snow events in 2022 resulted in higher than anticipated usage of snow removal services, consuming the majority of the contract contingency that is typically used for these types of events. The proposed amendment will also restore the contingency amount to ensure sufficient value is available for future unexpected events that need to be serviced in a timely manner.

Amendment Request

Based on the above factors, C.R.E.M. and Purchasing and Materials Management seek authority to amend blanket contract number 47023957 issued to Peter Young Ltd, o/a I.P.S. for grounds maintenance services by increasing the target value by \$1,429,206 net of all taxes and charges (\$1,454,360 net of H.S.T. recoveries), from \$4,180,500 net of all taxes and charges (\$4,254,077 net of H.S.T. recoveries) to \$5,609,706 net of all taxes and charges (\$5,708,437 net of H.S.T. recoveries). This amendment will

incorporate the appropriate cost of all serviced sites, and is necessary to continue the required grounds maintenance services at these locations.

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 trades requirements at the commencement of the original bridge period, and have agreed to comply fully with the City's Fair Wage Policy.

CONTACT

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SIGNATURE

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Chief Procurement Officer, Purchasing and Materials Management