

## **Amendment to Blanket Contract #47023957 with Peter Young Ltd, o/a IPS, for Grounds Maintenance Services at Various City Locations**

**Date:** February 10, 2025

**To:** General Government Committee

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

**Wards:** All

### **SUMMARY**

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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 IPS, for summer and winter grounds maintenance services, increasing the contract value by \$1,856,585 net of all taxes and charges (\$1,889,261 net of Harmonized Sales Tax recoveries), revising the current contract value from \$9,401,357 net of all taxes and charges (\$9,566,820 net of Harmonized Sales Tax recoveries) to \$11,257,942 net of all taxes and charges (\$11,456,082 net of Harmonized Sales Tax recoveries). This amendment is required to ensure the continuation of critical winter and summer grounds maintenance services at Toronto Police, Fire Services, Toronto Paramedic Services, and several other City of Toronto locations for the remainder of the current contract and remaining option year, if exercised.

Blanket Contract number 47023957 was awarded as part of Negotiated Request for Proposal (nRFP) Doc3024590614, which led to the creation of four separate contracts, including one with Peter Young Ltd, o/a IPS. Since the initial award of these contracts, Corporate Real Estate Management (CREM) has rebalanced the supplier portfolios and included new properties as additional services, requiring changes to the existing contracts. This resulted in the need to amend contract number 47023957 with Peter Young Ltd., o/a IPS in March 2023 to ensure sufficient value is available for the base term of the contract. Since this amendment, two option terms (contract years 3 and 4) have been exercised to extend the current contract to October 2025, with one remaining option year left. At the conclusion of this contract, staff will issue a competitive solicitation in advance of the current contracts' expiration to ensure a seamless transition to new agreements. The latest requested amendment is required to ensure there is sufficient value on the contract during the option terms to ensure service continuity of the revised portfolio for the duration of year 4 (to October 31, 2025), and the one remaining option year, if exercised.

General Government Committee approval is required by 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 supplier 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**

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

1. The General Government Committee, by Section 71- 11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-law), authorize the amendment of contract number 47023957 with Peter Young Ltd, o/a IPS for grounds maintenance services, increasing the contract value by \$1,856,585, net of all taxes and charges (\$1,889,261 net of Harmonized Sales Tax recoveries), thereby revising the current contract value from \$9,401,357 net of all taxes and charges (\$9,566,820 net of Harmonized Sales Tax recoveries) to \$11,257,942 net of all taxes and charges (\$11,456,082 net of Harmonized Sales Tax recoveries).

## **FINANCIAL IMPACT**

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The total value of the contract amendment identified in this report is \$1,856,585 net of all taxes and charges (\$1,889,261 net of Harmonized Sales Tax recoveries). This revises the Corporate Real Estate Management contract value from \$9,401,357 net of all taxes and charges (\$9,566,820 net of Harmonized Sales Tax recoveries) to \$11,257,942 net of all taxes and charges (\$11,456,082 net of Harmonized Sales Tax recoveries).

Funding for the requested amendment to the contract is included in CREM's 2025 Approved Operating Budget in cost centre grouping FA100-30.S under G/L Account 4413, reflected in Table 1 below.

Table 1- Financial Impact Summary (net of Harmonized Sales Tax recoveries)

<b>Contract Number</b>	<b>Cost Centre &amp; GL Code</b>	<b>Current Contract Value (as of January 2025)</b>	<b>Amendment to Contract (Additional Funds Requested in this Report)</b>	<b>Total New Contract Value (Including Additional Funds)</b>
47023957	FA100-30.S; 4413	\$9,566,821	\$1,889,261	\$11,456,082

The Chief Financial Officer and Treasurer have reviewed this report and agree with the financial implications identified in the Financial Impact section.

## **DECISION HISTORY**

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At its meeting on March 3, 2023, the General Government Committee authorized a Purchase Order Amendment for an additional \$1,429,206 net of all taxes and charges, bringing the contract value to \$5,609,706 net of all taxes and charges (\$5,708,437 net of Harmonized Sales Tax recoveries).

<https://secure.toronto.ca/council/agenda-item.do?item=2023.GG2.5>

At its meeting on October 20, 2021, the Bid Committee 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 IPS for a term of two (2) years from the date of award for a total amount of \$3,680,500 (excluding taxes).

[Agenda Item History - 2021.BA159.6 \(toronto.ca\)](#)

## **COMMENTS**

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### **Background**

In October 2021, four suppliers, including Peter Young Ltd, o/a IPS, were awarded contracts to provide winter and summer grounds maintenance services at various City properties. Winter services include snow removal and ice management which are required at multiple City properties, including Civic Centres, emergency services locations, 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 300 properties used by multiple City divisions. In parallel to the solicitation, CREM undertook an initiative to modernize and apply industry best practices and standards to its service delivery and solicitations. This initiative revealed the need for additional City properties beyond the initial 300 properties to be serviced through the various grounds maintenance contracts. As such, CREM worked with all four awarded suppliers to rebalance the grounds maintenance portfolio to optimize service delivery.

The rebalancing of the grounds maintenance portfolio resulted in the need to amend the contract with the Peter Young, o/a IPS contract 47023957 to ensure there was sufficient value on the contract for the initial two year base term of the contract from October 2021 to October 2023. Since then, two option terms have been exercised to extend the contract to October 2025. The contract currently encompasses 176 sites, comprising 123 winter sites and 53 summer sites.

### **Blanket Contract Amendment Request**

Although the contract value was amended during the base term to reflect the additional sites and services added to the contract, the values for the option years have not been amended. Therefore, based on the above factors, CREM and Purchasing and Materials Management are seeking authority to amend Blanket Contract number 47023957 issued to Peter Young Ltd, o/a IPS, adding \$1,856,585 net of all taxes and charges (\$1,889,261 net of Harmonized Sales Tax recoveries) and increasing the current target value of the contract to \$11,257,942 net of all taxes and charges (\$11,456,082 net of Harmonized Sales Tax recoveries). This amendment will ensure the continuation of critical winter and summer grounds maintenance services at Toronto Police, Fire Services, Toronto Paramedic Services, and several other City of Toronto locations for the remainder of the current contract and remaining option year, if exercised. Staff will issue a competitive solicitation in advance of the current contracts' expiration to ensure a seamless transition to new service agreements.

### **Compliance with City Policies**

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

### **CONTACT**

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## **SIGNATURE**

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Patrick Matozzo  
Executive Director, Corporate Real Estate Management

Geneviève Sharkey  
Chief Procurement Officer