

# City of Mississauga Corporate Report



<p>Date: June 4, 2021</p> <p>To: Chair and Members of General Committee</p> <p>From: Shawn Slack, MBA, Acting Commissioner of Corporate Services and Chief Financial Officer</p>	<p>Originator's files:</p> <hr/> <p>Meeting date: June 23, 2021</p>
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## Subject

**Increase to the Contract with J&A Cleaning Solutions Ltd. for Cleaning Services for Libraries, Works/Parks Yards, Transit Buildings, 950 Building, Heritage Buildings, and Golf Courses, Procurement No. PRC001063**

## Recommendation

That the Purchasing Agent or designate be authorized to increase the cleaning contract for J&A Cleaning Solutions Ltd. to accommodate the increased demand for janitorial services related to the COVID-19 pandemic as outlined in the Corporate Report dated 4 June 2021, from the Acting Commissioner of Corporate Services & CFO entitled, Increase to the Contract with J&A Cleaning Solutions Ltd. for Cleaning Services for Libraries, Works/Parks Yards, Transit Buildings, 950 Building, Heritage Buildings, and Golf Courses, Procurement No. PRC001063

## Background

The contract for Cleaning Services for Libraries, Works/Parks Yards, Transit Buildings, 950 Building, Heritage Buildings, and Golf Courses was awarded to J&A Cleaning Solutions Ltd. pursuant to a competitive procurement process. J&A Cleaning Solutions Ltd. was the lowest priced acceptable bid submitted. The contract commenced in Feb. 2019 and was intended for cleaning in facilities such as Libraries, Works/Parks Yards, Transit Buildings, 950 Building, Heritage Buildings, and Golf Courses.

Since the beginning of the COVID-19 pandemic, J&A's scope significantly increased due to enhanced cleaning and additional buildings added, for example, Kings Masting. This level of demand for cleaning services continued throughout 2020 and into 2021 with new high-touchpoint-cleans and deep-cleans as per the Region of Peel's Covid-19 guidelines, resulting in the overall spend being applied to the upper limit on the purchase order.

## Comments

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J&A Cleaning Solutions Ltd. is well positioned to continue their services with the City of Mississauga and they have enough resources to meet current and future demand.

The contract runs until 31 January 2022. The contract allows 2 one year extensions, at the City's option that can extend the duration until 31 January 2024. Staff recommend that the contract be extended until 31 January 2023 to manage the expected continuing demand for service in a cost effective manner. There is currently a high demand for 3<sup>rd</sup> party janitorial services and an industry wide shortage of janitorial personnel. These factors are likely to result in high prices until the market stabilizes. J&A Cleaning Solutions Ltd. has agreed to hold their current prices which are favorable to the City and represent best value. Additional funds are being requested to meet projected demand until 31 January 2023.

The current contract value is \$5,786,726. Services continue to be required for enhanced cleaning of City facilities in accordance with COVID-19 related legislation. An additional \$4,818,675 is requested to meet demand. The estimated total revised contract value will be \$10,605,397.

Section 18 (2) (d) (ii) of the Purchasing By-law #374-2006 requires Council approval for amendments to contracts if the amendment is of a value that, on its own or if added together with previous amendments is greater than 20% of the original contract value and greater than \$100,000; or if over \$1,000,000.

Materiel Management has reviewed this report and supports it from a procurement perspective.

## Financial Impact

As mentioned in the comments section, multiple stakeholders within the City are requesting additional janitorial services. These costs will be absorbed by the sections soliciting the services. As information, for fiscal year 2021, total forecasted costs from J&A will create an expenditure over budget of \$1,050,000 for the entire City.

## Conclusion

Additional cleaning services are required to continue to meet increased demands due to COVID-19. High demand is expected to continue indefinitely. This report requests authorization for the Purchasing Agent to increase the existing contract with J&A Cleaning Solutions Ltd. to \$10,605,397 to meet expected demand through to 31 January 2023. The contract with J&A Cleaning Solutions Ltd. was established competitively and continues to represent good value. J&A Cleaning Solutions Ltd. is well resourced to accommodate such additional work.



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Shawn Slack, MBA, Acting Commissioner of Corporate Services and Chief Financial Officer

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