

CITY OF HAMILTON

CORPORATE SERVICES DEPARTMENT
Financial Services Division

Report to: Chair and Members Corporate Administration Committee	Submitted by: Joseph L. Rinaldo General Manager Finance and Corporate Services
Date: April 26, 2006	Prepared by: Rick Male, ext. 4157

SUBJECT: Award of Tender C12-01-06 for the Supply and Delivery of Various Janitorial, Sanitary and Food Services Supplies (FCS06047) (City Wide)

RECOMMENDATION:

That the Corporate tender, C12-01-06 for the Supply and Delivery of Various Janitorial, Sanitary and Food Services Supplies be awarded to The Cleaning House, with an estimated annual contract price of \$460,000.00 per year. The initial term of the contract is for a period of 36 months, with the potential extension of two, 12 months terms, at the sole discretion of the City.

Joseph L. Rinaldo
General Manager
Finance and Corporate Services

EXECUTIVE SUMMARY:

The tender for the Supply and Delivery of Various Janitorial, Sanitary and Food Services Supplies closed February 27, 2006. This is a corporate wide contract which will be utilized by all City of Hamilton departments. Section 4.10 – Approval Authority of the Purchasing Policy states that Council approval is required for the award of corporate contracts.

BACKGROUND:

The Purchasing Section issued the corporate wide tender for the Supply of Various Janitorial, Sanitary and Food Services Supplies on January 26, 2006 which closed February 27, 2006. Fourteen (14) vendors picked up the tender documents and compliant bids were reviewed from six (6) vendors.

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ANALYSIS/RATIONALE:

Since the products tendered are used throughout the City, it is more cost effective and efficient for the City to award the supply and delivery of these goods to one vendor. The City benefits from volume discounted pricing when a corporate contract is issued versus each individual department securing prices on their own for smaller quantities.

Due to the volume of goods procured through this tender, there are customer service representatives dedicated to the City account. This will ensure that all information, product demonstrations, training and other related issues are relayed by the same person and in the same manner throughout the City.

ALTERNATIVES FOR CONSIDERATION:

The contract with the current supplier has been extended until the award of this tender is approved.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

Financial Implications

The tender submission information below outlines the bids received. The bidders were provided an extensive list of core items to price, as well as, the estimated annual usage for each item. The total contract price was determined by totalling the estimated annual usage by each Client Department for the core items listed.

The initial term of the contract is for a period of 36 months, with the potential extension of two, 12 months terms, at the sole discretion of the City. The following compliant submissions were as follows:

<i>Company</i>	<i>Total Contract Price (per year)</i>
The Cleaning House	\$459,820.95
G. T. French	\$475,452.29
Advantage Products	\$505,879.38
Flexo Products	\$523,340.46
Tennier Absorbent Products	\$538,955.62
Lion Shipping Supplies	\$570,948.51

Staffing Implications

There are no staffing implications.

Legal Implications

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There are no legal implications.

POLICIES AFFECTING PROPOSAL:

The Purchasing Policy outlines the approval authorities for acquiring goods and services in Section 4.10 – Approval Authority. This tender is a Corporate Contract and requires staff to bring a recommendation to Council for approval of award.

RELEVANT CONSULTATION:

All City of Hamilton departments were consulted and assisted with the tender specifications and special provisions.

The Health and Safety Section of the Human Resources Department were consulted to review and comment on the Material Safety Data Sheets required for various products requested in the tender.

CITY STRATEGIC COMMITMENT:

By evaluating the “**Triple Bottom Line**”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. **Yes** **No**

The award of this tender will ensure the continued supply of Janitorial, Sanitary and Food Services Supplies required in order to maintain City facilities to high public standards.

Environmental Well-Being is enhanced. **Yes** **No**

Material Safety Data Sheets are obtained in accordance with the Workplace Hazardous Materials Information System, Canada’s national hazard communication standard and distributed to City staff.

Economic Well-Being is enhanced. **Yes** **No**

The issuance of this corporate contract ensures that volume discounts are maximized for the City.

Does the option you are recommending create value across all three bottom lines?

Yes **No**

Do the options you are recommending make Hamilton a City of choice for high performance public servants?

Yes **No**