
CITY OF KELOWNA

MEMORANDUM

Date: March 29, 2006
File No.: 0710-20

To: Ron Born, City Manager

From: Ted Sophonow, Maintenance and Operations Supervisor

Subject: **Janitorial Contract – Parks Washrooms 2006**

RECOMMENDATION

THAT City Council award the subject contract to the low bidder Great Master Cleaning Company for three (3) years, for a total lump sum bid price of Five Hundred and Forty One Thousand, Five Hundred and Sixty Three Dollars (\$541,563) plus G.S.T.

AND THAT the 2006 Financial Plan be amended to include an additional \$82,030 per year for a three year period with funding to be determined at Council's Final Budget discussion on May 1, 2006.

BACKGROUND

The current term of the Parks Washroom Contract has expired and was re-tendered. In addition to maintaining the status quo contract, bids were also requested which increased the service level. Given the significant increase in costs to maintain the status quo we have not recommended increasing service levels although it would have provided a cleaner product. Only two companies submitted bids as illustrated below. These bids are based on total cost of a 3 year contract.

Existing Service Level

Great Master Cleaning Contractor	\$541,563
Dianne & Don's Building Maintenance	\$990,756

Increased Service Level

Great Master Cleaning Contractor	\$1,059,755.16
Dianne & Don's Building Maintenance	\$1,773,087.00

Therefore we are recommending that Council award the contract to the low bidder, Great Master Cleaning Contractor for \$541,563 for 3 years or \$180,521 per year. Our current base budget for washroom maintenance is \$98,491. Therefore the Parks Division requires an additional \$82,030 in the parks washroom budget. We suggest that this year be funded by transferring funds from the Parks Division's Highway 97 Capital Budget and that the remaining years of the contract by adding it as a priority 1 in the 2007 Budget.

The enhanced level of service bid was requested in order to minimize complaints and address expectations of some users and tourists. The increased service level included:

- Twice as many checks at sports field washrooms and passive parks
- Full time attendant all day at Gyro Park during the summer
- Full time attendant all day at City Park during the summer
- Full time attendant rotating between the other beach parks all summer

The enhanced level of washroom maintenance would ensure safe clean conditions at all washroom sites during heavy use times but given the significant cost of the enhanced level of service we are recommending that the current level of service be maintained.

Therefore we are recommending award of the contract to the low bidder.

Note from Financial Services: There are a number of submissions being considered for inclusion in the Final Budget document that will be subject to Council approval. The majority of these will be non-discretionary in nature. While there is some additional revenue available, there are likely to be a number of budget cuts required in order to meet Council's objective of no greater than a 2% average municipal share property tax increase.

Ted Sophonow
Maintenance and Operations Supervisor

Cc David Graham, Director of Recreation, Parks and Culture
Paul Macklem, Director of Financial Services