



Report to: General Committee

Meeting Date: April 1, 2025

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**SUBJECT:** Award of Contract #012-R-24 Janitorial and Carpet Cleaning Services for Various City Locations

**PREPARED BY:** Darius Chung, Senior Buyer, Ext. 2025  
Jason Ramsaran, Facility Assets Coordinator, Ext. 3526  
Joanna Chan, Senior Financial Analyst, Ext. 2073

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**RECOMMENDATION:**

- 1) That the report entitled “Award of Contract #012-R-24 Janitorial and Carpet Cleaning Services for Various City Locations” be received; and,
- 2) That the contract be awarded to the highest ranked / lowest priced bidder, Kleenway Building Maintenance, for a term of four years in the total amount of \$3,153,233.44 inclusive of HST as per the following;  
Year 1 - June 1, 2025 - May 31, 2026 - \$ 788,308.36  
Year 2 - June 1, 2026 - May 31, 2027 - \$ 788,308.36  
Year 3 - June 1, 2027 - May 31, 2028 - \$ 788,308.36  
Year 4 - June 1, 2028 - May 31, 2029 - \$ 788,308.36  
Total: \$ 3,153,233.44; and,

Pricing will be firm for the initial two years of the contract ending May 31, 2027 and year 3 commencing June 1, 2027 will be subject to Consumer Price Index (CPI) increase to a maximum of 3%; and,

- 3) That the contract includes an option for the City (in its sole discretion) to extend the contract for up to four additional years to be exercised in two (2) year periods. Pricing will be subject to CPI increase to a maximum of 3% if the extension is exercised on June 1, 2029 and again on June 1, 2031 for a total maximum increase of 9% over 8 years if extension years are exercised; and,
- 4) That the Director of Sustainability & Asset Management and Senior Manager of Procurement & Accounts Payable be authorized to extend the contract for an additional four years, in two (2) year periods, subject to adoption of the annual operating budget, vendor performance; and,
- 5) That the annual amount of \$788,308.36 (inclusive of HST) be funded from various operating accounts; and,
- 6) That the award amounts in 2026 to 2033 be subject to Council adoption of the respective annual operating budgets; and,
- 7) The 2025 annual budget shortfall of \$125,465.36 be reported as part of the year end results of operations and that the future departmental operating budgets be adjusted accordingly, subject to approval of the 2026-2033 operating budgets: and,

- 8) That staff be authorized and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

The purpose of this report is to award the contract for routine and as-required cleaning services for various City locations.

**BACKGROUND:**

Routine janitorial services are essential for maintaining a clean and safe environment in all City facilities. A clean and well-maintained facility is not just visually appealing, it promotes a healthier, more productive environment for staff and leaves a positive lasting impression on clients and visitors.

The City currently has a total of 38 locations requiring daily janitorial services on an ongoing basis. The administrative buildings are cleaned throughout the day with the larger high-traffic buildings such as the Civic Centre, the 8100 Warden Ave. site, and the Markham Village Library also have night cleaning crews. Park washroom locations are cleaned twice a day, once before opening to the public, and again in the afternoon. Community centres, aside from Victoria Square Community Centre, are cleaned and maintained by staff and are excluded from this contract.

**Administrative Building Locations:**

1. Markham Civic Centre	11. Markham Village Library
2. Markham Flato Theatre	12. Thornhill Village Library
3. Operations Yard	13. Unionville Library
4. Old Unionville Library	14. Angus Glen Tennis Centre
5. Stiver Mill	15. East Works Yard
6. Unionville Train Station	16. Varley Art Gallery
7. Central Parks Operations Building	17. McKay Art Centre
8. West Parks Operations Building	18. Markham Museum
9. Markham Train Station	29. Victoria Square Community Centre
10. 8100 Warden Ave.	20. 160 Dudley Avenue

**Park Washroom Locations:**

1. Berczy North Park Washrooms	10. Celebration Park Washrooms
2. Morgan Park Washrooms	11. Wismer Park Washrooms
3. Grandview Park Washrooms	12. Riseborough Park Washrooms
4. Milne Dam Washrooms	13. Milliken Mills Park Washrooms
5. St Roberts Dome Washrooms	14. Gordon Stollery Park Washrooms
6. Bill Crothers Park Washrooms	15. Too Good Pond Park Washrooms
7. Victoria Square Park Washrooms	16. Yaris Cedarwood Washrooms
8. Mint Leaf Park Washrooms	17. Box Grove Community Park Washrooms
9. Millenium Park Washrooms	18. Cornell Community Park Washrooms

The work includes all materials, labour, and supplies to perform janitorial services for the 38 locations in a cost effective, operationally satisfactory, safe, and environmentally friendly manner in order to maintain optimum conditions of cleanliness. This includes all the necessary supplies (e.g., paper towels, toilet paper), heavy duty equipment (e.g., floor scrubbers, floor sealers), and lightweight equipment (e.g., mops and dustpans) for cleaning the various facilities on a continuous basis to ensure a hygienic and safe environment for occupants.

At a high level, the contractor is responsible for a top-to-bottom comprehensive cleaning solution at all 38 locations in accordance with defined cleaning routines and regimes. In addition, 500 hours are allocated annually to accommodate special events.

**PROPOSAL INFORMATION:**

Bid closed on	February 4, 2025
Number picking up bid document	30
Number responding to bid	18

**PROPOSAL EVALUATION:**

The evaluation team was comprised of staff from Operations and Asset Management and staff from the Procurement Department acted as the evaluation facilitator.

The evaluation was based on pre-established evaluation criteria as outlined in the Request for Proposal: Qualifications and Experience of the Company 15%, Experience and Qualification of Personnel 15%, Resource Management 15%, Contract Monitoring/Administration and Quality Control 20%, Health and Safety 5%, and price 30%, for a total of 100% with the resulting score as noted below.

<b>Bidder</b>	<b>Total Score (100 points)</b>
Kleenway Building Maintenance	93

Kleenway Building Maintenance is a local and national facility maintenance company with its head office in Richmond Hill. The company has the following accreditations: ISSA (Worldwide Cleaning Industry Association), CIMS (Cleaning Industry Management Standard) “Green Building Certified” with Honours and ISO 9001:2015.

The company has long-term cleaning contracts with City of Toronto, York Region, York Regional Police, Enbridge, City of Hamilton and many others.

**FINANCIAL CONSIDERATIONS:**

Recommended bidder	Kleenway Building Maintenance (lowest priced / highest ranked bidder)	
Current budget available	\$ 662,843.00	Various Accounts
Less cost of award	\$ 788,308.36	June 1, 2025 – May 31, 2026
	\$ 788,308.36	June 1, 2026 – May 31, 2027
	\$ 788,308.36	June 1, 2027 – May 31, 2028
	\$ 788,308.36	June 1, 2028 – May 31, 2029
	\$ 788,308.36	June 1, 2029 – May 31, 2030
	\$ 788,308.36	June 1, 2030 – May 31, 2031
	\$ 788,308.36	June 1, 2031 – May 31, 2032
	\$ 788,308.36	June 1, 2032 – May 31, 2033
	\$ 7,883,083.64	Total cost of award (Incl. of HST)
Budget shortfall	(\$125,465.36)	

The term of the Contract is for four (4) years commencing on June 1, 2025 and ending on May 31, 2029 with the option of the City (in its sole discretion) to renew for an additional four (4) additional years to be exercised in two (2) year periods at the same pricing, terms and conditions set out in the Contract. Pricing will be firm fixed for the first two years of the Contract and first two years of the extension if exercised. Extension years are subject to CPI increase to a maximum of 3%.

By awarding this contract, the City will be able to maintain service levels and fixed pricing from 2025-2027 and avoid any potential for large market increases from 2027-2033 seeing a maximum of 3% if each optional extension period is exercised for a maximum of 9% over the entire life of the contract.

**OPTIONS/DISCUSSION:**

This contract has an annual increase of \$125,465.36 or 18% from the 2024 budget. The scope of work has remained consistent from the previous contract and the increase can be attributed to the following reasons:

<b>Contract changes from previous contract</b>	
1	Performance expectations have been strengthened to clearly define the number of people assigned to the Civic Centre and to address cleaning quality issues.
2	Addition of 4 new sites: Varley Art Gallery, McKay Art Centre, Markham Museum, Victoria Square Community Centre.
3	Incorporation of digital cleaning management software (“Wanda Next”) to track cleaning tasks, patterns, and assess problems. To verify cleaning and hygiene tasks are completed via live reports, and validate cleaning has been completed in line with protocols.
4	An additional 500 hours allocated annually for on-demand cleaning including: celebrations, special events, Great Hall gatherings, etc.
5	Introduction of new legislative requirements in 2026 under Bill 190 which establish an industry standard for workplace health and safety. Under this legislation, the employer must ensure that washroom facilities provided by the employer for the use of workers are maintained in a clean and sanitary condition.
6	Anticipated minimum wage increases and inflation within the next 2 years.
7	Increased cost of supplies.

Staff believe that the cost increase for this contract is justified and shows value-for-money based on the changes from the previous contract.

**OPERATING BUDGET AND LIFE CYCLE IMPACT:**

The \$125,465.36 shortfall will be reported as part of the year end results of operations and future departmental operating budgets will be adjusted accordingly, subject to approval of the 2026-2033 operating budgets. There is no impact to the Life Cycle Reserve Study.

**ENVIRONMENTAL CONSIDERATIONS:**

All waste will be disposed of at an authorized dump, waste treatment site or recycling facility by the Contractor, and will be disposed of in accordance with applicable by-laws and regulations.

**PEOPLE SERVICES CONSIDERATIONS:**

Not Applicable

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

Goal	Examples – How the Solution can Help Achieve the Goal
Exceptional Services by Exceptional People	Kleenway Building Maintenance has is an ISO certified company with a strong history of cleaning large public spaces.
Engaged, Diverse & Thriving City	Local cleaning company familiar with the region. Ensures assets are kept operational, safe, and reliable for staff and users.
Safe & Sustainable Community	Ensures clean and safe operation of City assets for both staff and users.
Stewardship of Money & Resources	This competitive procurement received 18 proposals from local janitorial service providers and demonstrates good value for the City.

**BUSINESS UNITS CONSULTED AND AFFECTED:**

Comments from Operations and Sustainability & Asset Management departments have been incorporated into this report and the departments are supportive of the recommendation.

**RECOMMENDED BY:**

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 Graham Seaman,  
 Director, Sustainability & Asset  
 Management

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 Trinela Cane, Commissioner,  
 Corporate Services

**ATTACHMENTS:**

Not Applicable