

While every effort is made to ensure the accuracy of the contents of this site, users should be aware that due to circumstances beyond our control, it may be necessary to change the text of documents posted here and therefore no responsibility will be accepted by the Toronto Transit Commission for discrepancies which may occur between documents contained on this site and the formal hardcopy versions presented to the Commission.

**If it is necessary to rely on the accuracy of Commission documents the Office of the General Secretary should be contacted at 393-3698 to obtain a certified copy. ONLY HARDCOPY RECORDS CERTIFIED BY THE GENERAL SECRETARY WILL BE DEEMED TO BE OFFICIAL.**

Form Revised: February 2005

---

**TORONTO TRANSIT COMMISSION  
REPORT NO.**

**MEETING DATE:** August 30, 2006

**SUBJECT:** PROCUREMENT AUTHORIZATION - Supply And Laundering Of Towels And The Laundering Of Maintenance Work Clothing

**RECOMMENDATION**

It is recommended that the Commission approve the issuance of purchase orders to G&K Services Canada Inc. for the supply and laundering of towels in the upset limit of \$468,000 and to Cintas Canada Ltd. for the laundering of maintenance work clothing in the upset limits of \$567,000, each, for a five year period from November 1, 2006 to October 31, 2011.

**FUNDING**

Sufficient funds are included in the 2006 Operating Budget and will be included in future Operating Budgets as required.

**BACKGROUND**

The Commission has an ongoing requirement for the supply and laundering of towels and the laundering of maintenance work clothing at various TTC garages, shops and carhouse locations. Currently, the contracts are with G&K Services Canada Inc. and Canadian Linen and Uniform Service, respectively, and are due to expire on October 31, 2006. The Commission is committed to provide the laundering service for maintenance work clothing under the terms of the current Collective Agreement.

**DISCUSSION**

Six companies were invited to submit proposals in addition to the public advertisement on the TTC Web Site on June 27, 2006, out of which three companies submitted proposals for both the supply and laundering of towels and the laundering of maintenance work clothing as summarized on the attached Appendix 'A'.

The Request for Proposal (RFP) requested proponents to submit firm pricing for three years for the Supply & Laundering of Towels and the Laundering of Maintenance Work Clothing and also requested pricing for an option to extend the contract for a 4<sup>th</sup> and 5<sup>th</sup> year at the Commission's discretion. Proponents could bid on either one or both of the requirements and the RFP contained a clause that indicated the Commission reserves the right to award a Contract to more than one Proponent at its discretion.

G&K Services Canada Inc. submitted the lowest priced proposal for the Supply and Laundering of Towels. They did not take any exceptions or qualifications to the Commission's Terms and Conditions and their proposal is considered commercially and technically acceptable. G&K Services Canada Inc. holds the current contract for the Supply and Laundering of Towels and their performance is satisfactory.

The other two proponents (Cintas Canada Ltd. and Canadian Linen & Uniform Service) for the Supply and Laundering of Towels also submitted compliant tenders, but they offered higher pricing.

The total price quoted by G&K Services Canada Inc. for the towels is approximately 4.68% lower in year 1 of the contract compared to the current pricing, no price increases in years 2 or 3. For the optional years, they offered an increase of 2.5% in year 4 of the contract over year 3 pricing; and an increase of 2.5% in year 5 of the contract over year 4.

Cintas Canada Ltd. submitted the lowest priced proposal for the Laundering of Maintenance Work Clothing. They did not take any exceptions or qualifications to the Commission's Terms and Conditions. Cintas Canada Ltd. has not previously performed similar service for the Commission. Therefore, staff contacted references and was satisfied with the responses. Their proposal is considered commercially and technically acceptable.

The other two proponents (G&K Services Canada Inc. and Canadian Linen & Uniform Service) for the Laundering of Maintenance Work Clothing also submitted compliant tenders, but they offered higher pricing.

The total price quoted by Cintas Canada Ltd. for the clothing is approximately 22.15% lower in year 1 of the contract compared to the current pricing with no price increases in years 2 and 3. For the optional years they indicated there would be no increase in either year 4 or 5 over year 3 pricing.

In light of the decrease in pricing in year 1 and the slight increases in years 4 and 5 for Category 1 and no increases in years 4 and 5 for Category 2, staff is recommending the award of five year contracts for both the Supply & Laundering of Towels and the Laundering of Maintenance Work Clothing.

The recommended upset limit for each contract includes an allowance of approximately 20% for variation in usage over the five years of the contracts.

## **JUSTIFICATION**

Award of the above contracts will ensure the uninterrupted services for the Supply and Laundering of Towels and the Laundering of Maintenance Work Clothing for all the Commission's locations for the next five years. Based on the Commission's requirements as stipulated in the Collective Agreements, the Commission is required to provide Laundering Service for Maintenance Work Clothing.

-----

August 3, 2006  
9-118-30  
- Appendix 'A'

**Appendix 'A'**

**SUPPLY AND LAUNDERING OF TOWELS AND THE LAUNDERING OF  
MAINTENANCE WORK CLOTHING**

**PROPOSAL SUMMARY**

**(5 YEAR EVALUATED TOTAL)**

<b>Service</b>	<b>G&amp;K Services Canada Inc.</b>	<b>Cintas Canada Ltd.</b>	<b>Canadian Linen &amp; Uniform Service</b>
Supply and Laundering of Towels	\$390,096.19*	\$800,268.58	\$414,434.57
Laundering of Maintenance Work Clothing	\$678,731.53	\$472,336.00*	\$530,703.53

\* Recommended for award.

All bids were adjusted to update the GST from 7% to 6%.