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The Regional Municipality of Durham Report

To: Health and Social Services Committee
From: Commissioner of Social Services
Report: #2023-SS-4
Date: May 4, 2023

Subject:

Supply and Service of Dish Machines for the Regional Municipality of Durham's four (4) Long-Term Care Homes

Recommendation:

That the Health and Social Services Committee recommends to Regional Council:

- A) That authorization be granted to award a sole source agreement to Hobart Canada for the procurement of new and replacement dish machine equipment and that the Hobart Canada dish machine be the Regional standard for a period of five (5) years effective July 1, 2023, at a total estimated cost not to exceed \$704,000 at the Regional Municipality of Durham's four (4) Long-Term Care Homes, subject to financing being approved in the annual Social Services Business Plans and Budgets; and
 - B) That authorization be granted to award a sole source agreement to Hobart Canada effective July 1, 2023, for a period of five (5) years for non-warranty maintenance and service repair at an annual cost not to exceed \$47,600 at the Regional Municipality of Durham's four (4) Long-Term Care Homes, subject to financing being approved in the annual Social Services Business Plans and Budgets; and
 - C) That the Commissioner of Finance be authorized to execute any necessary agreement.
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Report:

2. Purpose

- 2.1 The purpose of this report is to provide details and seek approval to standardize to Hobart Canada for new and replacement dish machine and negotiate a sole source agreement with Hobart Canada for non-warranty maintenance and repair of existing

Hobart Canada equipment installations at the Regional Municipality of Durham's (Region) four (4) Long-Term Care Homes (LTCH) for a five (5) year period.

3. Background

- 3.1 To provide superior warewashing, there is a need for continued purchase of replacement dish machines as well as ongoing preventative maintenance and service of this equipment.
- 3.2 Dish machines are operated three times daily. Efficient, well functioning machines are required to adhere to Public Health regulations for food safety and sanitation.
- 3.3 Since 2002, all four (4) LTCHs have been purchasing Hobart dish machines. The LTCHs will continue to replace aging and obsolete units, at a total cost not to exceed \$704,000 over the next five (5) years, to be funded from within the annual Social Services Business Plans and Budget for twenty-three (23) dish machines.
- 3.4 Over the course of the next five (5) years, preventative maintenance and repairs on existing and new dish machines is estimated to cost a maximum of \$238,000.
- 3.5 The current preventative maintenance contract with Hobart Canada will expire on June 30, 2023.

4. Justification for Sole Source

- 4.1 Standardization of dish machines in each of the homes through one manufacturer continues to be beneficial.
- 4.2 From an operational perspective, less training for staff is required and there is less chance of operator error.
- 4.3 Staff continue to be pleased with the dish machines currently supplied by Hobart Canada and recommend continued deployment of this type of dish machine exclusively throughout the Region's LTCHs
- 4.4 Hobart Canada has been in the food industry for over 100 years. They are the industry leader in utilizing advanced technology in the design of their dish machines.
- 4.5 Hobart Canada is the exclusive dealer and service provider of Hobart dish machines. Hobart Canada offers an 18-month warranty for their dish machines. The industry standard is 12-months.
- 4.6 The LTCHs have been pleased with the preventative maintenance and service provided to date. This equipment is essential to operations and the ability to have service staff on-site quickly is very important to staff at the LTCHs.

5. Financial Implications

- 5.1 The Region of Durham's Purchasing By-law #16-2020, permits the acquisition of goods and services through sole source negotiations under specific circumstances outlined in Appendix C of the By-law. Section 1.1 of Appendix "C" permits negotiations where the goods or services can be supplied only by a particular supplier, to ensure compatibility with existing goods, or to maintain specialized goods that must be maintained by the manufacturer of those goods or its representative.
- 5.2 Financing for the acquisition of replacement dish machines and the preventative maintenance agreement will be included in the annual Social Services Business Plans and Budget submissions.

6. Relationship to Strategic Plan

- 6.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:
- a. Goal 5: Service Excellence – To provide exceptional value to Durham taxpayers through responsive, effective, fiscally sustainable service delivery.

7. Conclusion

- 7.1 It is recommended that authorization be granted to negotiate an agreement with Hobart Canada for the provision of Hobart dish machines and the ongoing preventative maintenance of Hobart kitchen equipment at the Regional Municipality of Durham's four (4) Long-Term Care Homes for a five (5) year term commencing July 1, 2023, with the actual number of dish machines purchased determined based on financing approved in the annual Social Services Business Plans and Budget.
- 7.2 This report has been reviewed by the Finance Department and the Commissioner of Finance concurs with these recommendations.

Respectfully submitted,

Original signed by

Stella Danos-Papaconstantinou
Commissioner of Social Services

Recommended for Presentation to Committee

Original signed by

Elaine C. Baxter-Trahair
Chief Administrative Officer