

New contracts required for linen and laundry services

Paramedic Services currently has purchase orders for linen and laundry services with Mackenzie Richmond Hill Hospital, Markham Stouffville Hospital and Southlake Regional Health Centre that began August 1, 2014 and end July 31, 2019.

Establishing new purchase agreements with the hospitals for linen and laundry services for the period from August 1, 2019 to July 31, 2024 is practical, efficient and economical as it allows Paramedic Services to benefit from the hospitals' expertise and economies of scale. Each hospital currently uses Ecotex Healthcare Linen Service LP (Ecotex) as their linen and laundry service provider and maintains a dedicated linen cart in their Emergency Departments for York Region paramedics' use. Each hospital stocks the cart as needed and seamlessly manages biohazardous soiled linens for laundering. Paramedics restock their linen from these carts during their shift when they are unable to return to their response station.

The hospitals do not make a profit from their linen contracts with the Region; they view this as a partnership that supports effective patient care. Contracting with each hospital for linen and laundry services allows Paramedic Services to continue benefitting from the hospitals' seamless service provision and economies of scale in purchasing linen and laundry services.

To provide additional efficiencies, Paramedic Services also seeks approval to enter into a new contract with Ecotex to provide linen and laundry services directly to Paramedic Services headquarters. Use of the same linen provider as the hospitals prevents administrative fees resulting from lost linens during patient transfers, and eliminates the need to coordinate pick-up and drop-off of soiled and replacement linens between paramedic headquarters, stations and the hospitals.

Establishing a direct contract with Ecotex will simplify and streamline the linen pick-up and delivery process and leverage efficiencies gained by using the same provider and infrastructure as the hospitals. Section 10.1(a) of the Region's Purchasing By-law permits direct purchases such as this when the paramount consideration is compatibility with existing equipment, facilities or services.

The five year cost of the proposed contracts for linen and laundry services is \$3,372,250, excluding HST, as shown in Table 1.

Table 1: Purchase Agreements for Linen and Laundry Services, Excluding HST

Service Provider	Estimated Annual Cost 2019/20	Estimated Annual Cost 2020/21	Estimated Annual Cost 2021/22	Estimated Annual Cost 2022/23	Estimated Annual Cost 2023/24	Estimated 5 Year Total
Ecotex	\$200,000	\$230,000	\$264,500	\$304,250	\$350,000	\$1,348,750
Mackenzie Richmond Hill Hospital	\$100,000	\$115,000	\$132,250	\$152,250	\$175,000	\$674,500
Markham Stouffville Hospital	\$100,000	\$115,000	\$132,250	\$152,250	\$175,000	\$674,500
Southlake Regional Health Centre	\$100,000	\$115,000	\$132,250	\$152,250	\$175,000	\$674,500
Total	\$500,000	\$575,000	\$661,250	\$761,000	\$875,000	\$3,372,250