



**Advanced
Integration**



**Security
Personnel
Services**

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November 14, 2011

Regional Council
The Regional Municipality of York
Council Chambers
York Region Administrative Centre
17250 Yonge Street
Newmarket, Ontario



**REGION OF YORK
CLERK'S OFFICE**

FILE No. - 903

Dear Honorable Chairman, Mayors and Regional Councilors,

RE: York Region Security Contract Decision, Anticipated November 17, 2011 Decision

Upon reviewing information made publically available on your website, we wish to address the contract award recommendations for Security Services, dated November 3, 2011 from the Commissioner of Corporate Service. Please note that we have served as the incumbent provider on this contract for almost a decade, providing an excellent level of service and customer satisfaction. Our bid response contained efficiencies and served to reduce your overall costs. Given this, we were surprised to find that we were ranked as the second recommendation behind Paladin Security. In light of this, we wish to challenge several points used in the evaluation and ask for a higher level review of the final recommendation.

Continuity of employment for Security personnel, page 2 –

This paragraph's tone appears to indicate that there will be continuity in staffing. Typically, we retain 95% of our tendered business. However, in the rare circumstances when Intercon transitions out of an account, we retain approximately 70% of our security personnel. Please note that the successor obligations of the Employment Standards Act do not obligate our employees to accept employment with an incoming vendor. Our employees are free to continue their career path with Intercon and many will be redeployed to other customer sites. As such, a change in vendors will result in significant staffing upheaval and turnover. This important point cannot be overstated and should be considered in the evaluation criteria.

Bidders were evaluated on specific criteria, page 3 and 4 –

The weighted scoring system evaluating York Region experience has favoured Paladin Security, a Vancouver based company, who entered the Ontario market in 2008 with the acquisition of a healthcare guard company, Carecor. To our knowledge this vendor has one to two hospital contracts in the Region, a small amount of condominium business and negligible exposure to the type of commercial properties involved in this tender. It is our position that the description of this vendor as having superior experience to Intercon Security is inaccurate for the following reasons:



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- Seemingly not factored in the experience criteria is Intercon's 39 years of operating locally in the market place, the 1,400 strong local pool of security personnel and more relevantly the majority of the past ten years that Intercon Security has acted as the incumbent provider to York Region's facilities.
- Our assigned staff are clearly an experienced and strong team, as evidenced by the hiring (during this tendering process) of Intercon's on-site Director of Security and our Security Systems Project Manager to in-house positions.
- We take exception to the fact that the evaluation team, to our knowledge, did not assess any of the sites that we protect on your behalf. Instead, the team insisted on visiting a nearby, unrelated site. Had one of the sites under this contract been visited for evaluation, we believe that Intercon Security would have received the most points in this category and possibly the most overall weighted points.

Local Municipal Impact, page 5-

For the past nine months, ADT Security Canada and Intercon Security (subsidiaries of Tyco International) have been searching for a new Canadian head office building. Recently, we have engaged with CBRE in expressions of interest for a facility in the Kennedy Road and 14th Avenue area in Markham.

The location of this site has been at least partially based on providing reciprocal support to a Region that utilizes our services. This site is proposed to directly house over 325 of our employees. This would incorporate a sizeable call centre, data centre and occupy at minimum 50,000 square foot, expandable to over 80,000 square foot of commercial office space. This facility will also serve as a resource centre for 1400 local security guards. The final location of our head office will be subject to further review over the next two months.

We trust that you have the opportunity to review our key points in advance of finalizing your decision on the important selection of your security vendor.

Yours Sincerely,

ADT CANADA / INTERCON SECURITY

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