



Exhibition Place

9

ACTION REQUIRED

June 23, 2015

To: The Board of Governors of Exhibition Place

From: Dianne Young,
Chief Executive Officer

Subject: **Agreement for Maintenance Services for HVAC Contractor Services and Related Works at Exhibition Place**

Summary:

This report recommends that the Board enter into an agreement with Superior Air Systems Ltd., commencing July 1, 2015 for the non-exclusive supply of all labour, materials and equipment necessary to carry out HVAC Contractor services and related works at Exhibition Place.

A Request for Quotation (RFQ) process was issued through the City of Toronto, Finance Department, Purchasing and Materials Management Division (PMMD) for the non-exclusive supply of labour, materials and equipment to carry out HVAC Contractor services and related works at Exhibition Place.

Recommendation:

It is recommended that the Board enter into an agreement with Superior Air Systems Ltd. for a period of one (1) year, commencing on July 1, 2015, with the option to extend for an additional three (3) one-year periods on the terms and conditions outlined in this report and other such terms and conditions satisfactory to the Chief Executive Officer and the City Solicitor.

Financial Impact:

The projected annual expenditure for HVAC Contractor Services and related works at Exhibition Place is \$33,024.25 and provided for in the 2015 Operating Budget.

Decision History:

The Exhibition Place 2004 to 2016 Strategic Plan had a Financial Goal to *effectively monitor costs and revenues* and as a strategy to support this Goal *we will seek review and revise financial and organizational systems to strengthen controls and process.*

At its meeting of June 24, 2011 the Board approved entering into agreement with Direct Energy Business Services for the provision of HVAC Contractor Services and related works at Exhibition Place, which agreement expires on June 30, 2015.

[..\2011 Reports\June 24\HVAC Contractor Services - Final.pdf](#)

Issue Background:

The term of the current agreement is set to expire on June 30, 2015.

Comments:

Exhibition Place provides in-house HVAC services for base building preventative maintenance and repairs, and uses the services of one contractor to provide HVAC Contractor services and related works for on-demand call-in repairs and services to supplement these in-house services.

On March 30, 2015, Exhibition Place through the services of PMMD issued a Request for Quotation to establish a new agreement for the provision HVAC Contractor Services and related works for Exhibition Place, commencing on July 1, 2015. For comparative and evaluation purposes the RFQ detailed the Board's specific service requirements and listed projected hours of service and required bidders to apply rates. Bidders were also required to provide percentage mark-up over invoice costs for repair parts and were asked to also indicate if their bid offered products/services with environmental benefits outside of any specifications called for in the RFQ

The RFQ closed on April 17, 2015, with six (6) quotations received. Based on the pricing received and financial analysis, the one-year evaluated bid total price, along with the % option year increases, excluding HST were as follows:

| | 1 YEAR Extended Price | Option years Pricing Increase (%) |
|---|--------------------------|--------------------------------------|
| Superior Air Systems | \$ 33,024.25 | 3 |
| LCD Mechanical Inc. | \$ 37,064.00 | 4 |
| Direct Energy Business Services Ltd. | \$ 42,318.50 | 2 |
| Enercare Home & Commercial Services | \$ 42,940.00 | 3 |
| Carmichael Engineering Ltd | \$ 44,310.13 | 1.5 |
| Nortek Mechanical Services | \$ 47,403.50 | 2 |

Staff have reviewed the rates quoted by Superior Air Systems Ltd. And consider them to be fair and reasonable. Accordingly, staff are recommending entering into an agreement with Superior Air Systems Ltd.

Superior Air Systems Ltd. Is a public organization founded in 1986 with a staff of 20 employees. Superior Air Systems Ltd. Provides plumbing, heating and air conditioning services.

The City of Toronto Fair Wage and Labour Trades Office confirms that Superior Air Systems Ltd. is in compliance with the Fair Wage and Labour Trades requirements for this work.

The substantial terms of the agreement will be as follows:

- (a) Term: One year commencing July 1, 2015 with the option to extend for an additional three (3) one-year periods subject to satisfactory performance review;
- (b) Pricing: Pricing be fixed during the term of the Agreement;

- (c) Assignment: The agreement between the Board and Superior Air Systems Ltd. shall not be assigned to Superior Air Systems Ltd. without the consent of the Board;
- (d) Insurance/Indemnity: Superior Air Systems Ltd. shall provide proof of insurance in a form and amount satisfactory to the Board and containing provisions including the Board and the City of Toronto as additional insured with a cross liability/severability of interest clause of standard wording. Insurance shall be primary before any insurance held by the additional insured and the Board shall be entitled to thirty days notice of any intention to cancel or not to renew the policy. Superior Air Systems Ltd. shall indemnify the Board and the City of Toronto with respect to any and all liability arising from any damage or injury as a result of the negligent acts or omissions of Superior Air Systems Ltd., or its employees or any other person for whom it is in law responsible, in the supply and quality of the equipment;
- (e) Union Obligations: Superior Air Systems Ltd. shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place; and
- (f) Such other terms and conditions as contained in the Request for Quotations or as required by the General Manager/Operations, Chief Executive Officer, and the City Solicitor.

Contact

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Submitted by:



Dianne Young

Chief Executive Officer