



Exhibition Place

ACTION REQUIRED

Item No. 8

September 20, 2013

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **Agreement for All-Inclusive HVAC Chemical Treatment Program**

Summary:

This report recommends the Board enter into an agreement with Rochester Midland Corporation ("Rochester Midland"), commencing November 1, 2013 for the non-exclusive supply of all labour, materials and equipment necessary to treat the water in steam generators, steam boilers, chillers, hot water heaters and related equipment throughout the grounds in accordance with operating requirements and manufacturers standards at Exhibition Place.

A Request for Quotation (RFQ) process was issued through the City of Toronto, Finance Department, Purchasing and Material Management Division (PMMD) for the provision of HVAC chemical water treatment to Exhibition Place.

Recommendation:

It is recommended that the Board approve an agreement with Rochester Midland Corporation for a period of one (1) year, with the option to extend for an additional three (3) one (1) year periods, on the terms and conditions outlined in this report and other such terms and conditions satisfactory to the CEO and the City Solicitor.

Financial Impact:

The projected annual expenditure for the chemical treatment is \$ 24,813.96 and is provided for in the 2013 Operating Budget, and will be provided for in the 2014, 2015, and 2016 Operating Budgets.

Decision History:

The Exhibition Place 2009-2012 Strategic Plan had an Infrastructure Goal to *sustain our public assets and rolling equipment* and as a Strategy to support this Goal *we will design and implement a preventative maintenance program*.

At its meeting of November 25, 2010, the Board awarded Rochester Midland Corporation a one year contract with the option to extend for two additional one-year terms commencing on November 1, 2010, for the provision of all inclusive HVAC water treatment services to Exhibition Place. The term of the current agreement is set to expire on October 31, 2013.

Issue Background:

The existing agreement for HVAC services expires on October 31, 2013.

Comments:

On August 2, 2013, Exhibition Place through the services of PMMD issued a Request for Quotation to establish a new agreement commencing on November 1, 2013.

The RFQ detailed the Board's service requirements by location and was structured in a manner that required bidders to provide firm monthly fees which were then summarized into an annual price. As well Bidders were required to state the percentage rate increase for each option year.

The RFQ closed on August 22, 2013 with two quotations received. The results, excluding HST were as follows:

Bidder	Annual Cost November 1, 2013 to October 31, 2014	Annual Cost Optional Year 1	Annual Cost Optional Year 2	Annual Cost Optional Year 3
Rochester Midland	\$24,813.96	\$25,310.24	\$25,816.44	\$26,332.77
Dimco Water Solutions	\$80,701.20	\$82,315.22	\$83,961.53	\$85,640.76

Rochester Midland Corporation is an International company based in Rochester New York with a Canadian Head Quarters located in Oakville, Ontario. Rochester Midland has been in business since 1888 in the chemical treatment services business. References include Carrier Commercial Services, York Region District School Board and City of Toronto

The City of Toronto Fair Wage and Labour Trades Office confirms that Rochester Midland is in compliance with the Fair Wage and Labour Trades requirements.

Staff are recommending the approval of an agreement with Rochester Midland on the following terms and conditions:

- (a) Term: One year commencing November 1, 2013, with the option to extend for three additional one-year periods subject to satisfactory performance review, PMMD market analysis and budget availability.
- (b) Pricing: Pricing is to be fixed during the term of the Agreement in accordance with the terms of the RFQ
- (c) Assignment: The agreement shall not be assigned by Rochester Midland without written consent of the Board.
- (d) Indemnity/Insurance: Rochester Midland 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.

- (e) Union Obligations: Rochester Midland shall comply with all trade union/association agreements affecting work done on the grounds.
- (f) Other Commercial Terms: The agreement shall include other standard commercial terms respecting termination and other matters in a form satisfactory to the City Solicitor and the CEO.

Contact:

Mark Goss
General Manager, Operations
Tel: (416) 263-3660
Fax: (416) 263-3681
Email: MGoss@explace.on.ca

Submitted by:

Dianne Young
Chief Executive Officer