

June 23, 2010

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **Agreement for Maintenance Services to Elevators and Escalators**

Summary:

This report recommends the Board enter into agreement with Schindler Elevator Corporation ("Schindler"), commencing November 1, 2010 for the supply of all labour, materials and equipment necessary to provide elevator and escalator maintenance services to Exhibition Place. Schindler was the low bidder responding to the public Request for Quotation (RFQ issued through the City of Toronto Purchasing Department on June 2, 2010).

Recommendations:

It is recommended that the Board approve an agreement between the Board and Schindler for a term of one (1) year, with the option to extend for an additional three (3) separate one (1) year periods, on the terms and conditions outlined in this report and other such terms and conditions satisfactory to the Chief Executive Officer of the Board and the City Solicitor.

Financial Impact:

The projected annual expenditure for elevator and escalator maintenance contractor services is \$143,000 and is provided for in the current year budget and the 2011 Operating Budget will include the appropriate budget for this maintenance contract.

Decision History:

On March 19, 2009, Exhibition Place through the services of City of Toronto issued a Request for Quotation to establish a new agreement for the provision of elevator and escalator maintenance services commencing June 1, 2009. The RFQ closed on April 8, 2009 with only one bid received. After careful review staff opted to cancel the RFQ citing higher than projected costs and the lack of competition.

On June 17, 2009, Exhibition Place reissued a revised RFQ through the services of City of Toronto to establish a short-term agreement for the provision of elevator and escalator maintenance services commencing upon award until October 31, 2010, at which time the new devices in the Allstream Centre will no longer be under warranty.

In September 2009, the Board entered into agreement with Schindler Elevator Corporation for the supply of all labour, materials and equipment necessary to provide elevator and escalator maintenance services, commencing October 1, 2009 and expiring October 31, 2010.

On June 2, 2010, Exhibition Place through the services of City of Toronto issued a Request for Quotation to establish a new agreement for the provision of elevator and escalator maintenance services commencing November 1, 2010.

Issue Background:

With the expiration of the existing maintenance contract for elevators and escalators, a RFQ was issued through the City of Toronto Purchasing Department on June 2, 2010 and closed on June 16, 2010.

Comments:

The RFQ specified the Board's requirements for the maintenance and repair service to 14 various escalators. The RFQ was structured in a manner that required bidders to submit comprehensive pricing for escalators on a monthly per installation basis and hourly rates for various personnel for repair and call-in services outside of the escalator coverage for elevators and other related works, including parts mark-up.

The requirements of this RFQ will provide sufficient coverage to comply with the regulations set by the Government of Ontario, Ministry of Consumer and Commercial Relations, Elevating Devices Act.

The RFQ closed on June 16, 2010 with three quotations received and firm prices quoted for the full term.. The first year prices were as follows:

Schindler Elevator Corp.	\$179,530.76
CNIM Canada Inc.	\$241,466.00
Fujitec Canada Inc.	\$306,348.00

Staff report favourably on Schindlers's past performance and references. The City of Toronto Fair Wage and Labour Trades Office confirms that Schindler is in compliance with the Fair Wage and Labour Trades requirements for this work

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

- (a) Term: One year, commencing November 1, 2010 and expiring October 31, 2011, with the option to extend for an additional three separate one year terms.
- (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 Schindler without written consent of the Board.
- (d) Indemnity/Insurance: Schindler 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: Schindler 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

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