

April 13, 2010

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **Infrastructure Stimulus Fund (ISF) Program – Tender Report
COLISEUM COMPLEX – Air-Handling Units Replacement
Contract No. 09-0077-97747**

Summary:

This report recommends approving a contract with Bomben Plumbing & Heating Ltd. for the supply and installation of air-handling units and equipment at the East Annex and West Annex of the Coliseum Complex. These units are original to the Coliseum Complex and in poor operating conditions, which have far exceeded their normal life expectancy. The tender for this contract was issued on March 18, 2010 and the recommendation is to award the contract to the low bidder.

Recommendation:

It is recommended that the Board approve Contract No. 09-0077-97747 to Bomben Plumbing & Heating Ltd. of Mississauga, Ontario for the supply and installation of air-handling units and equipment within the Coliseum Complex in the amount of \$ 428,660.00, which includes a contingency of \$ 35,000.00, but excludes GST/HST; this being the lowest tender received.

Financial Impact:

The total cost of \$27.370M for the stimulus projects as approved by Council and the Board are fully committed and funded by the Federal Government (1/3 share) and the City of Toronto (2/3 share) with no financial impact to the Board's operating or capital budget.

Decision History:

On September 11, 2009, the Federal Government announced the long anticipated Infrastructure Stimulus Fund (ISF) program of \$570 million to the City of Toronto, in which one third comes from Federal and two third from City Council. Out of this fund, \$27.370 million was approved for Exhibition Place for eight (8) projects. On September 30 / October 1, City Council formally approved the ISF Program for all Departments, Agencies, Boards and Commissions. Subsequently, at its meeting of October 8, the Board approved for the record these ISF Projects as submitted to the City in the spring of 2009.

Issue Background:

This project is to replace the air handling units (AHU) & steam pressure reducing (SPR) stations that are original to the Coliseum Complex and in poor operating conditions, which have far exceeded their normal life expectancy. Replacement of aging heating, ventilation, and heating equipment is part of the interior restoration submitted to the ISF program for the Coliseum Complex.

Comments:

The tender for this contract was issued on March 18, 2010 and Fatima Scagnol, Corporate Secretary of the Board, supervised the tender opening on April 9, 2010. Four official tenders were received. Their price submissions, excluding GST/HST, are as shown in the following table:

Tenderer	Base Tender Price	Additional Price For Industry Building	Recommended Base Tender Price
Bomben Plumbing & Heating Ltd.	\$ 428,660.00	\$ 235,600.00	\$ 428,660.00
Dunford – Liscio (Ontario) Inc.	\$ 492,600.00	\$ 227,760.00	
Gimco Limited	\$ 446,200.00	\$241,544.00	
Royal Windsor Mechanical Inc.	\$ 637,850.00	*Informal	

*Rejected due to missing the required signature & seal in the tender form stipulated in the contract document.

The Budget for this project (construction costs, engineering fees, and project management and administration costs) is under the main ISF project of Coliseum Complex (No. 0077) and the interior and building envelope budget is estimated at \$1,980,000. The submission of the low tender by Bomben Plumbing & Heating Ltd. of \$ 428,660.00, which contains a contingency of \$35,000.00, is therefore within the said budget.

The base tender price includes the replacement of all eight (8) AHU and two (2) SPR stations in the East Annex and one (1) other SPR station in the West Annex. These air-handling units and steam pressure reducing stations are of the 1960's and in very poor operating conditions. They need major repairs or replacements in order to maintain the proper heating and ventilation for the space. In view of their ages of approximately 45-50 years old, they have far exceeded their normal life expectancy, hence replacing them is recommended.

The tender also included an additional price for replacement of 20 steam unit heaters, six (6) motorized louvers and one (1) SPR in the Industry Building. However, due to the continuous negotiation with the 2015 Pan Am Games Official regarding the use of the Industry Building for the Games, these replacements cannot be determined at this time and are not being recommended until later this year.

There were no pre-qualifications of contractors for this project. Bomben Plumbing & Heating Ltd.'s tender submission revealed that they have been in business for 6 years and localized in Mississauga, Ontario. Exhibition Place has no previous experience with Bomben Plumbing & Heating Ltd. but their prices appear to be reasonable.

This recommendation is contingent upon approval by the Office of the Deputy City Manager and CFO of the Surety Company proposed by the successful bidder for the supply of the bonding requirements and is also subject to the Fair Wage Office confirming that the recommended contractor and its subcontractors maintain wage rates and working conditions in accordance with Toronto Workers' Rights requirements.

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