



## Exhibition Place

---

### Item No. 13

July 11, 2011

To: The Board of Governors of Exhibition Place

From: Dianne Young  
Chief Executive Officer

**ACTION REQUIRED**

Subject: **Agreement for Thermal Insulation Repairs**

#### Summary:

This report recommends the Board enter into a non-exclusive agreement with ICON Insulation for one year commencing from the date of award to June 30, 2012 for the supply all labour material and equipment necessary for the provision of Mechanical Thermal Insulation Repairs/Insulation and Related Works at Exhibition Place, as and when required, with an option to extend for an additional three (3) one-year periods, subject to previous performance and Exhibition Place budget availability/approval.

The Operations Department relies upon outside contractors to provide specialized thermal insulation and related work 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 provision of Mechanical Thermal Insulation Repairs/Insulation and Related Works at Exhibition Place. The ICON Insulation quotation is the overall lowest acceptable bid received in compliance with all requirements.

#### **Recommendation:**

**It is recommended that the Board enter into agreement with ICON Insulation for a period of one year, 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 City Solicitor.**

#### Financial Impact:

The projected annual expenditure for the supply all labour material and equipment necessary for the provision of Mechanical Thermal Insulation Repairs/Insulation and Related Works is \$42,081.00 and is provided for in the 2011 Operating Budget, and will be provided for in the 2012, 2013, and 2014 Operating Budgets.

#### Decision History:

On July 1, 2009 Exhibition Place retained the services of Furcon Insulation Ltd. to supply all labour material and equipment necessary for the provision of Mechanical Thermal Insulation Repairs/Insulation and Related Works at Exhibition Place, which agreement has now expired.

Issue Background:

On June 8, 2011, Exhibition Place through the City of Toronto Finance Department, Purchasing and Materials Management Division (PMMD), issued an RFQ for the non-exclusive provision of Mechanical Thermal Insulation Repairs/Insulation and Related Works, commencing upon award to June 30, 2012, with the option to extend for three additional one-year periods.

The RFQ closed on June 23, 2011 with two (2) bids received from Icon Insulation and Direct Energy Business Services Inc.

For comparative and evaluation purposes the RFQ listed projected hours of service and required bidders to apply rates. In addition, bidders were also required to provide percentage mark-up over invoice costs for various materials, percentage discounts off specific Manufacturers' current published price lists and were asked to also indicate if their bid offered products/services with environmental benefits outside of any specifications called for in the RFQ.

Based on the pricing received and financial analysis, the one-year evaluated bid total price, along with the option year prices, excluding HST were as follows:

|                                      | From date of award to June 30, 2012<br>Bid Price<br>(excluding HST) | Optional Years |            |            |
|--------------------------------------|---|----------------|------------|------------|
|                                      |   | 1 YEAR         | 2 YEAR     | 3 YEAR     |
|                                      |   | % Increase     | % Increase | % Increase |
| ICON Insulation                      | <b>\$42,081.00</b>  | 3%             | 3%         | 3%         |
| Direct Energy Business Services Inc. | <b>\$53,227.20</b>  | 3%             | 3%         | 3%         |

The ICON Insulation quotation is the overall lowest acceptable bid received in compliance with all requirements.

The City of Toronto Fair Wage and Labour Trades Office confirms that ICON Insulation is in compliance with the Fair Wage and Labour Trades requirements for this work.

ICON Insulation was founded in 2008, and has offices in Toronto and London, Ontario. They specialize in Heat Frost Insulation and Mechanical Thermal Insulation Repairs. Their references include JMR Electric Ltd, located in Exeter, Ontario, and Maple Mechanical Contracting Inc., located in Pickering, Ontario.

The substantial terms of the agreement will be as follows:

- (a) Term: One year commencing from the date of award to June 30, 2012, 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 ICON Insulation shall not be assigned to ICON Insulation without the consent of the Board.
- (d) Insurance/Indemnity: ICON Insulation 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. United 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 ICON Insulation, 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: ICON Insulation shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place.

Other Commercial Terms: Such other terms and conditions as contained in the Request for Quotations or as required by the Chief Executive Officer and City Solicitor.

Contact

Mark Goss

General Manager/Operations

Tel: (416) 263-3660

Fax: (416) 263-3681

Email: [MGoss@explace.on.ca](mailto:MGoss@explace.on.ca)

Submitted by:

---

Dianne Young  
Chief Executive Officer