



Exhibition Place

9

March 7, 2016

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young,
Chief Executive Officer

Subject: **Agreement for HVAC Air Filters**

Summary:

This report recommends the Board enter into non-exclusive agreement with Dafco Filtration Group (Dafco) commencing May 1, 2016, for the provision of various HVAC air filters on an as and when required basis to 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 non-exclusive supply and delivery of various HVAC air filters on an as and when required basis to Exhibition Place. The lowest qualified bidder is being recommended.

Recommendation:

It is recommended that the Board approve an agreement with Dafco Filtration Group for a period of one (1) year, with the option to extend for an additional three (3) separate one (1) year periods through to April 30, 2020, 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 purchase of HVAC filters is \$ 23,570.29 and is provided for in the 2016 Operating Budget, and will be provided for in the 2017, 2018, and 2019 Operating Budgets.

Decision History:

The Exhibition Place 2014 - 2016 Strategic Plan had an Infrastructure Goal to *sustain our public assets and rolling equipment* and as a Strategy to support this Goal *we will review and update our preventative maintenance systems*.

At its meeting of April 25, 2012, the Board approved entering into agreement with Dafco Filtration Group for the non-exclusive supply of various HVAC air filters to Exhibition Place, which agreement expires on April 30, 2016.

[http://www.explace.on.ca/database/rte/files/Item%2015-HVAC%20Filters\(1\).pdf](http://www.explace.on.ca/database/rte/files/Item%2015-HVAC%20Filters(1).pdf)

Issue Background:

Exhibition Place uses the services of one contractor for the non-exclusive supply and delivery of various HVAC air filters to Exhibition Place. The existing agreement for these services expired on April 30, 2016.

Comments:

On January 18, 2016, Exhibition Place through the services of PMMD issued a Request for Quotation to establish a new agreement commencing May 1, 2016.

The RFQ Price Schedule was structured in a manner that required bidders to submit firm unit prices based on projected annual quantities of the twenty-seven various types of filters currently in use. In addition, bidders were required to state their maximum percentage increases for each optional year.

The RFQ closed on February 2, 2016 with five (5) quotations received. The results were as follows:

Bidder	Annual Cost May 1, 2016 to April 30, 2017
Dafco Filtration Group	\$23,570.29
Tri-Dim Canada	\$24,613.23
AAF Canada Ltd	\$27,411.32
Camfil Canada Inc.	\$28,991.99
Delta M Incorporated	\$36,233.89

Award calculations for option years will be based on budgetary maximum amount of 3% annually.

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

A Canadian company head quartered in Mississauga, Ontario, Dafco Filtration Group was formed in 2005 as a result of merging two leading Canadian air filter companies. References include Brookfield Properties, Toronto Western Hospital and the Toronto District School Board. Dafco Filtration Group is a member of *Canadian Green Building Council* and is active in the ongoing development of green products.

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

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

- (a) Term: One year commencing May 1, 2016, on an as required non-exclusive basis, 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 Dafco without written consent of the Board.

- (d) Indemnity/Insurance: Dafco 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: Dafco 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.

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