

18



EXHIBITION PLACE

May 15, 2000

To: Board of Governors of Exhibition Place

From: Dianne Young
General Manager & CEO

Subject: **Elevator and Escalator Maintenance Contract for NTC**
RFQ 6718-00-5149

Recommendation:

It is recommended that the Board enter into an agreement with CEE Elevator Services Ltd. ("CEE") for Elevator and Escalator Maintenance for the new elevating devices in the NTC, this being the overall lowest bid that meets all requirements.

Background:

At its meeting of June 26, 1997, the Board adopted a recommendation to enter into an agreement with Schindler Elevator Corporation for Maintenance of the new elevating devices in the NTC which contract expired on March 31, 2000.

At its meeting on April 7, 2000, the Board approved of entering an agreement with CEE for Elevator and Escalator Maintenance for Exhibition Place. This included the Automotive Building and Coliseum Complex of the NTC, for the devices that pre-dated the construction of the NTC. Further at the April 7, 2000 meeting the Board approved that no award be given with respect to the new elevating devices in the NTC and that an RFQ be re-issued.

Discussion:

In order to comply with regulations set by the Ministry of Consumer and Commercial Relations, Elevating Devices Act, Section 12, Exhibition Place must, on a monthly basis, maintain all of its elevating devices.

A Request for Quotation for Elevator and Escalator Maintenance for the new elevating devices in the NTC was issued on April 27, 2000, with a closing date of May 11, 2000 through the City of Toronto's Finance Department, Purchasing and Materials Management Division. There were four bids accepted by Toronto Purchasing in response to this RFQ. The RFQ specified the level of service required for each device. Bidders were required to provide the monthly cost to provide that service. The monthly costs are firm for the full three years of the agreement, June 1, 2000 to May 31, 2003. Staff then compiled this information to determine the overall cost of each bid over the three years. This cost comparison is indicated below:



<u>Bidder</u>	<u>Total Lump Sum</u>
CEE Elevator Service Ltd.	\$206,313.12
Schindler Elevator Corp.	\$325,494.00
KONE Inc.	\$327,420.00
Thyssen Dover Elevator Ltd.	\$343,598.40

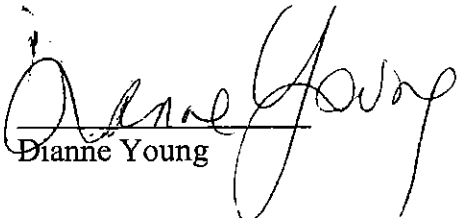
CEE submitted the overall lowest bid. A technical review by O&Y/SMG was undertaken and CEE Elevator Service Ltd. showed that it had the theoretical aptitude to service this equipment, however, it currently lack a proven demonstrated performance and established service history with the Schindler equipment. However given the cost differential of \$119,181 over the three years, staff are recommending the award to CEE subject to the requirement that CEE must comply with the service levels specified in the RFQ.

Therefore the report recommends entering into a three-year agreement on the following terms and conditions:

1. Term: 3 years effective June 1, 2000
2. Provision of a 100% Performance Bond as per the RFQ
3. Comprehensive public liability and property damage insurance covering all operations and liability assumed under the contract, with an insurance company satisfactory to the Board of Governors of Exhibition Place, The National Trade Centre, Canadian National Exhibition Association, City of Toronto, O&Y SMG Canada, their respective directors, officers and employees being added as additional insureds.
4. All other terms and conditions which are satisfactory to the General Manager and CEO of Exhibition Place and the City Solicitor.

Conclusions:

This report recommends that the Board enter into an agreement with CEE for Elevator and Escalator Maintenance for the new elevating devices in the NTC, this being the overall lowest bid that meets all requirements. Mr. Ernest Vincent, General Manager, NTC, has reviewed this report and is in agreement with its recommendations.


Dianne Young