

July 9, 2000

EXHIBITION PLACE

To: Board of Governors of Exhibition Place

From: Dianne Young
General Manager & CEO

Subject: York Chiller Maintenance Contract in NTC
RFQ Number 4301-00-5191

Recommendation:

It is recommended that the Board enter into an agreement with Air Con Systems commencing August 1, 2000, for the supply of all labour, equipment and material required for the maintenance of the three York Chillers in the NTC, this being the overall lowest bid that meets all requirements.

Background:

York International Ltd. was the original manufacturer of the three (3) chillers within the NTC and has been maintaining the equipment under a three-year agreement which expired June 30, 2000. This three-year period was made up of a two-year warranty period plus one additional year.

Discussion:

A Request for Quotation for the supply of an all inclusive maintenance service for the three chillers in the NTC was issued on May 17, 2000, with a closing date of June 6, 2000 through the City of Toronto's Finance Department, Purchasing and Materials Management Division. There were six (6) bids accepted by Toronto Purchasing in response to this RFQ. The RFQ specified the level of service and the cost is firm for the full three years of the agreement. This cost comparison is indicated below:

<u>Bidder</u>	<u>Total Lump Sum</u>
Air Con Systems	\$73,188.00
Carmichael Engineering Limited	\$94,000.00
York International Ltd.	\$94,869.00
Ambient Mechanical Ltd.	\$96,000.00
The State Group Ltd.	\$111,817.14
Black & McDonald Ltd.	\$152,172.00

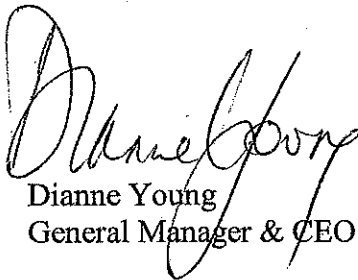
Air Con Systems is a smaller company than York International however, Exhibition Place has used Air Con Systems in the past to maintain the smaller refrigeration equipment and have had a good working relationship with them. Air Con Systems have also provided a reference contact list and staff have checked these references and are satisfied that Air Con can provide maintenance on similar high pressure equipment to that of the NTC and will be able to provide an adequate level of service on the York equipment as specified in the RFQ.

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

1. Term of 3 years commencing August 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 Air Con Systems for the supply of all labour, equipment and material required for the Maintenance of the three York Chillers in the NTC, this being the overall lowest bid that meets all requirements. Mr. Ernest Vincent concurs with this recommendation.



Dianne Young
General Manager & CEO