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April 20, 2001

EXHIBITION PLACE

TO: The Board of Governors of Exhibition Place

FROM: Dianne Young
General Manager & CEO

SUBJECT: Agreement for Chiller Maintenance and Repair Services

Recommendation:

It is recommended that the Board enter into an agreement with 849060 Ontario Inc. cob Air Con Systems ("Air Con") for the provision of maintenance services to the Queen Elizabeth Building Chiller and call-in services for other air conditioning and related equipment on such terms and conditions as contained in the RFQ, outlined in this report or as required by the General Manager & CEO and the City Solicitor.

Background:

In 1997 an RFQ was issued and service agreements entered with Stannair Enbridge Business Services for the provision of the maintenance to the Queen Elizabeth Building Chiller and with Air Con for services to the various other air conditioning systems and related equipment.

Discussion:

In February 2001, Exhibition Place, through the City of Toronto Purchasing and Materials Management Division, issued an Request for Quotation (RFQ) for exclusive maintenance service program for the York Chiller in the Queen Elizabeth Building and other various Board owned heating, ventilating, air conditioning and refrigeration equipment and associated controls. The four quotations received were as follows:

	849060 Ontario Inc. Air Con Systems			Stannair Enbridge Business Services			Carmichael Engineering Ltd.			Comstock Canada Ltd.		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
Part A For all inclusive chiller maintenance service	\$5,000	\$5,000	\$5,000	\$6,000	\$6,000	\$6,000	\$6,577	\$6,708	\$6,842	\$10,440	\$10,752	\$11,076
Part B Hourly Rates												
Refrigeration Mech. (reg.)	\$52.00	\$52.00	\$52.00	\$65.00	\$66.00	\$67.00	\$65.00	\$66.30	\$67.65	\$65.00	\$66.00	\$67.00
Refrigeration Mech. (o/t)	\$78.00	\$78.00	\$78.00	\$97.50	\$99.00	\$100.50	\$97.50	\$99.45	\$101.50	\$98.00	\$99.00	\$100.00
Pneumatic Mech. (reg.)	\$50.00	\$50.00	\$50.00	\$68.00	\$68.00	\$68.00	\$65.00	\$66.30	\$67.65	\$80.00	\$82.00	\$84.00
Pneumatic Mech. (o/t)	\$75.00	\$75.00	\$75.00	\$102.00	\$102.00	\$102.00	\$97.50	\$99.45	\$101.75	\$120.00	\$123.00	\$126.00
Mark-up on materials	10%	10%	10%	28%	28%	28%	25%	25%	25%	32%	32%	32%

Air Con is the lowest bidder, the all inclusive maintenance service program for the Queen Elizabeth Chiller being \$5,000.00 per year and the services for call-ins for all other equipment being approximately \$45,000.00 per year as based on previous experience of requirements for this service.

The proposed terms and conditions of the service agreement between Air Con and the Board are as follows:

- (a) Term three (3) years commencing July 1, 2001 and expiring June 30, 2004
- (b) Provision of a 100% Performance Bond as per the RFQ.
- (c) Fees will be paid by the Board as set out under the terms and conditions contained in the RFQ
- (d) Assignment: The agreement between the Board and Air Con shall not be assigned by Air Con without the consent of the Board
- (e) Insurance/Indemnity: Air Con shall provide proof of insurance in a form and amount satisfactory to the Board and containing provisions including the Board, CNEA, O&Y-SMG Canada 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. Air Con shall indemnify the Board, the CNEA, O&Y-SMG Canada 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 Air Con, or its employees or any other person for whom it is in law responsible, in the performance of the maintenance and repair work and the supply and quality of any required replacement parts.
- (f) Other Terms: Such terms and conditions as contained in the Request for Quotations or as required by the General Manager & CEO and the City Solicitor.

Conclusion:

This report recommends that the Board enter into a maintenance service agreement with Air Con as set out above.

Contact:

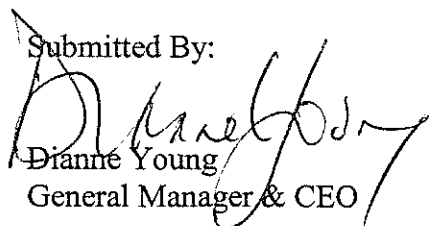
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Submitted By:


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