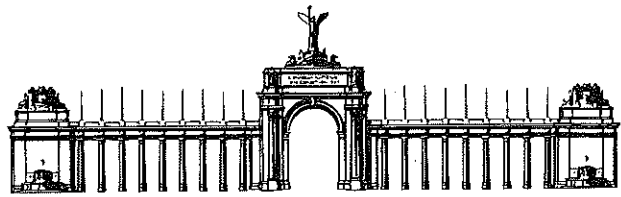


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## EXHIBITION PLACE

September 4, 2007

To: The Board of Governors of Exhibition Place

From: Dianne Young  
Chief Executive Officer

Subject: **Agreement for All-Inclusive HVAC Chemical Treatment Program**

**Purpose:**

To submit for approval the terms and conditions for an agreement for the provision of an All-Inclusive Heating, Ventilation and Air Conditioning (HVAC) Chemical Treatment Services.

**Financial Implications:**

The projected annual expenditure for chemical treatment services to various HVAC systems on the grounds is \$75,000 and is provided for in the 2007 and proposed 2008 Operating Budgets.

**Recommendation:**

**It is recommended that the Board enter into agreement with Quatic Industries Inc. ("Quatic") for provision of all-inclusive HVAC chemical treatment services to Exhibition Place on such terms and conditions as contained in this report, the Request for Quotations or as required by the Chief Executive Officer and the City Solicitor.**

**Background:**

In October 2004, a request for quotation (RFQ) was awarded by the Board to Quatic Industries Inc. to provide a comprehensive HVAC chemical treatment program for a one-year term from November 1, 2004 to October 31, 2005, with the option to extend for two additional one-year periods subject to satisfactory vendor performance review. This agreement expires on October 31, 2007.

**Comments:**

On June 29, 2007, the Board, through the Purchasing and Materials Management Division (PMMD) of the City of Toronto's Finance Department, issued a Request for Quotation for the provision of all-inclusive HVAC chemical treatment services. The RFQ was structured in a manner that required bidders to submit prices on an annual price per location basis for all chemicals and related services necessary to treat the water in steam generators, chillers and hot water heaters and

related equipment throughout the grounds in accordance with operating requirements and manufacturers' standards. Performance bonding equal to 100% of the price quoted was included in the RFQ. Firm prices were to be quoted for each of the three years.

Fourteen firms were invited to bid. The RFQ closed on August 3, 2007, with two responses. The evaluated three year totals (less GST) were as follows:

Quatic Industries Inc.	\$75,523.00
Ashland Canada Corp.	\$102,233.00

Quatic Industries Inc. is a Canadian Company based in Guelph, Ontario and has carried on business in chemical water treatment services since 1970. Staff report that this service provider has in the past provided excellent service and support the award to Quatic Industries Inc. References include Ryerson University, Marineland, Ontario Power Generation, the City of Toronto, over 25 School Boards in Ontario and Quebec and Air Canada.

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

The substantial terms of the agreement will be as follows:

- (a) Term: Three years commencing November 1, 2007 until October 31, 2010.
- (b) Fees: Fees will be paid by the Board as set out under the terms and conditions contained in the request for quotations
- (c) Union Agreements: Quatic shall comply with all agreements in force between the Board and any union or association with respect to Exhibition Place.
- (d) Assignment: The agreement between the Board and Quatic shall not be assigned by Quatic without the consent of the Board.
- (e) Bonding: Quatic shall provide a performance bond for the due and proper performance of the contract work, including guaranteed maintenance for a period of one year after final completion of work in the amount of 100% of the quoted price.
- (f) Insurance/Indemnity: Quatic 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 Green, or its employees or any other person for whom it is in law responsible, in the supply and quality of the equipment.
- (g) Other Terms: Such other terms and conditions as contained in the Request for Quotations or as required by the Chief Executive Officer and the City Solicitor.

Conclusions:

This report recommends the Board enter into agreement with Quatic for provision of all-inclusive HVAC chemical treatment services in accordance with this report, the terms of the RFQ and such other terms and conditions required by the Chief Executive Officer and the City Solicitor.

Contact:

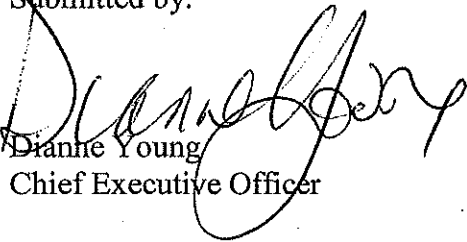
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Submitted by:



Dianne Young  
Chief Executive Officer

