



The Corporation of the Town of Tecumseh

Parks & Recreation Services

To: Mayor and Members of Council

From: Paul Anthony, Director Parks & Recreation Services

Date to Council: March 10, 2020

Report Number: PRS-2020-07

Subject: Rink A Brine Pump and Chiller Replacement

Recommendations

It is recommended:

That the price of \$155,985.00 net of 100% refundable HST, submitted from Cimco Refrigeration for Rink A Brine Pump and Chiller Replacement, undertaken through a contract record, **be approved**;

And that Council **award** the project to Cimco Refrigeration as an Irregular Result under Schedule "A" of the Purchasing policy.

Background

At the January 14, 2020 Regular Meeting of Council, the members considered Report PRS-2020-01 for the 2020-2024 Arena and Pool Five (5) Year Capital Works Plan and passed motion (RCM-07/20) which adopted the 2020 capital works program.

The 2020 Arena Five (5) Year Capital Works Plan includes the following Capital Project:

Arena – 2020

Rink A Brine Pump and Chiller Replacement \$200,000

The chiller is a critical part of the Arena operation. The useful life of this equipment is 20 to 25 years. The equipment will be 20 years old in 2020. The replacement of the chiller and brine pump will maintain the safety for staff and users. If this equipment were to experience a failure during the operating season, there could be an interruption to operations, including the closure

of Rink A and resultant loss of revenue. Replacing and upgrading this equipment would enhance the operation of the refrigeration plant's efficiency, and by the use of modern technology, it will lower the energy consumption while maintaining a quality ice surface.

Comments

As per the Town's purchasing bylaw 2017-63, projects with a value of \$50,000 to \$500,000 require Formal Quotation (RFQ) – written quotation by request for Tender/ Proposal/ Quotation process and approved by Department Director and Purchasing Coordinator/ Chief Administrative Officer. The source of bids can be through one of the following processes: advertised in local papers and/or website and/or direct invitation.

The RFQ was developed and posted on the Town's website. Five refrigeration contractors and the Construction Association of Hamilton picked up the information on the project. There were five companies present at the mandatory site meeting held January 16, 2020.

At the Quotation closing, only one submission was received.

The Director of Financial Services and one other witness opened the quotation. The Facilities Manager met with the Purchasing Officer to review Cimco Refrigeration's submission, and confirmed the quotation and submission was complete.

Summary of Project costs are as follows:

		100% Refundable HST	Net of HST
RFQ price	\$155,985.00	\$20,278.05	\$155,985.00
Approved Budget			\$200,000.00
Under Budget			\$ 44,015.00

The Director Parks & Recreation met with the Facilities Manager to review the successful bidder's experience and tender submission and it is confirmed that Cimco Refrigeration has the required experience to undertake the project.

It is recommended that the quotation to replace Rink A brine pump and chiller be awarded to Cimco Refrigeration in the amount of \$155,985.00 net of 100% refundable HST.

The Town's Purchasing Policy requires that where only one bid is received and found to be acceptable, that it be treated as an irregular result.

Section 4.5 Only One Bid Received, part (c) reads, "In the event that the bid received is found acceptable, it will be awarded as an Irregular result under Schedule "A" of the Purchasing By-law."

Schedule "A" states that an Irregular Result Greater than \$100,000 is to be approved by Council. The award to retain Cimco Refrigeration as the contractor of record will be undertaken through a Contract Record, as provided for in the Purchasing Policy.

Consultations

Financial Services

Financial Implications

Funding for this project in the amount of \$200,000 was included and approved in the 2020 Arena Five (5) Year Capital Works Plan.

The Town's Purchasing Policy requires that Council approve Irregular Results greater than \$100,000.

Providing Council approves the Irregular Result, as per the Purchasing Policy 4.7, a Contractual Agreement is required. A Contractual Agreement may take the form of a Formal Agreement, Contract Record or Purchase Order. A Contract Record or Purchase Order is to be used when the resulting contract is straightforward. A Formal Agreement is used when the resulting contract is complex.

It is the opinion of the Department Director that this is a straightforward contract and therefore a Contract Record shall be executed.

Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input checked="" type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

Communications

Not applicable ☒

Website ☐ Social Media ☐ News Release ☐ Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Ray Hammond, RRFO, CARPT
Manager Facilities

Reviewed by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

Reviewed by:

Paul Anthony, RRFA
Director Parks & Recreation Services

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
None	None