



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: July 27, 2021

Report Number: PRS- 2021-08

Subject: Amend 2021-2025 Arena and Pool (5) Year Capital Works Plan
Arena Boiler Replacement

Recommendations

It is recommended:

That the Boiler Replacement Capital Project be added to PRS-2021-01 2021 – 2025 Arena and Pool Five (5) Year Capital Works Plan;

And that the Arena Boiler Replacement Capital Project, in an amount not to exceed \$30,000 net of 100% refundable HST, **be authorized and funded** out of the Arena Lifecycle Reserve;

And further that the Arena Boiler Replacement Capital Project be awarded to Vollmer Mechanical Contractors Limited.

Background

The purpose of this report is to obtain Council approval to replace the Arena Boiler.

On July 8th, the boiler at the Tecumseh Arena, which supplies all of the arena's domestic hot water, was leaking and in need of service. The Manager contacted our Plumbing and HVAC contractors to request that they attend the site, inspect, and troubleshoot the problem.

Two companies conducted an inspection, and they both determined that the internal portion of the boiler had failed and that the unit required replacement.

This failure was unexpected and therefore was not budgeted for in the 2021 – 2025 Arena and Pool Five (5) Year Capital Works Plan.

Comments

During the presentation of the 2021-2025 Arena and Pool Five (5) Year Capital Works Plan, this project was not included as there were no previous signs the boiler was failing.

The boiler provides the facility with all of its domestic hot water, including supplying the hot water required to flood the ice surface. This is a critical piece of Arena infrastructure.

Administration was able to secure two quotes for the replacement of the boiler with the same model, however the delivery time from each company was 6 – 8 weeks. This would have created an operational problem as hot water is required daily.

One of the contractors, Vollmer Mechanical Contractors Limited, was able to source a comparable unit that was in stock. Replacement using this unit could be undertaken within a two-week period.

Due to the importance of replacing this critical piece of infrastructure and the time sensitivity surrounding the replacement, the Director Parks & Recreation with the authorization of the CAO and Purchasing Coordinator authorized the purchase as per the Purchasing Policy, Article 3.10, highlighted below.

3.10 PROCUREMENT IN EMERGENCIES

Where, in the opinion of the Chief Administrative Officer, or two Department Directors, an emergency has occurred requiring the immediate procurement of goods, services or construction,

i. the Department Director, with authorization by the Chief Administrative Officer, or two Department Directors, may initiate a purchase in excess of the preauthorized expenditure limit by the most expedient and economical means; and

ii. any purchase under such conditions together with a source of financing shall be justified and reported to the next meeting of the Town Council following the date of purchase.

The project cost breakdown is as follows:

- \$25,250 for purchase and installation of boiler
- \$4,750 contingency
- \$30,000 maximum total project cost

Vollmer Mechanical Contractors Limited is contracted by the Town to service all of our HVAC Units. They have the experience and staff to undertake the work and to get the Arena boiler in place and operational within an acceptable time period.

A verbal briefing was given to Council on Tuesday, July 13, 2021 advising of the emergency acquisition.

Consultations

Chief Administrative Officer
Financial Services

Financial Implications

The estimated cost of the replacement of the Arena Boiler is \$30,000 inclusive of a contingency allowance. In accordance with Article 3.10 of the Town's Purchasing Policy, the emergency purchase was initiated by the Director Parks & Recreation and authorized by the CAO and Purchasing Coordinator.

The cost of the boiler replacement project would be funded from the Arena Lifecycle Reserve. The Arena Lifecycle Reserve has sufficient funding for this project and the estimated year-end balance would be reduced from \$837,000 to \$807,000.

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 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:

Paul Anthony, RRFA
Director Parks & Recreation Services

Reviewed by:

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

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
None	