

## STAFF REPORT INFORMATION ONLY

# Exercise of Extended Authority – Award of Contract – Comprehensive HVAC Maintenance Services

Date:	September 15, 2008
To:	Toronto Public Library Board
From:	City Librarian

## **SUMMARY**

The purpose of this report is to inform the Toronto Public Library Board of an award of tender to employ a heating, ventilation, air conditioning (HVAC) contractor to supply comprehensive maintenance services as per the Toronto Public Library's (TPL's) specifications, which occurred during the month of July 2008.

## FINANCIAL IMPACT

The cost of the HVAC services contract is \$258,215.30 for Year 1 and \$265,961.76 for Year 2, excluding Goods and Services Tax (GST). Over the two-year term of the contract, the total cost will be \$524,177.06. The bid price by the recommended bidder, Ainsworth Inc., is:

- > Year 1: \$1,629.32 (.6%) higher than the previous year's HVAC contract (2007)
- > Year 2: \$7,746.46 (3%) higher than Year 1.

## **ISSUE BACKGROUND**

On April 20, 2008, TPL employed Nunn Warden Design Inc., a mechanical consulting firm, to review and revise TPL's existing scope of work for Comprehensive HVAC Maintenance Services, in preparation for the issuance of the RFQ.

Within a Comprehensive HVAC Maintenance type contract, there is an onus on the contractor to provide a high level of preventative maintenance; otherwise, the contractor is liable for all parts and labour replacement costs, and additional wages to contractor's technicians for after hours and weekends. This high level of preventative maintenance provides:

> Optimal running time of equipment with a minimum frequency of equipment down time which, in turn, provides a comfortable environment for patrons and staff.

- > Extended equipment life, which reduces frequency of replacement, and thereby the impact on TPL's capital budget.
- > A cleaner environment. An efficient preventative maintenance program will identify refrigerant leaks at a very early stage, and prevent harmful refrigerant gases escaping to the environment.

#### COMMENTS

On May 29, 2008, an advertisement was placed in the Toronto Star for HVAC Contractors interested in bidding on TPL's Comprehensive HVAC Maintenance Services.

On July 10, 2008, the TPL received quotes from five (5) of eight (8) HVAC Contractors who expressed an interest in bidding of the RFQ.

The tender documentation submitted by the recommended bidder, Ainsworth Inc., has been reviewed by TPL staff and was found to be in conformance with the RFQ requirements.

Library staff has awarded a contract to Ainsworth Inc., being the lowest bidder, for the supply of Comprehensive HVAC Maintenance Services for the TPL.

As there were no regularly scheduled Board meetings during the summer months, under Section 6.6 of the Financial Control Policy, *City Librarian – Extended Authority*, the contract was awarded by the City Librarian to the lowest bidder who met the specifications and requirements of the tender. The same section of the policy requires that the award be reported to the Board at the next regularly scheduled meeting.

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## **SIGNATURE**

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