

REPORT FOR ACTION

Fan Motors Replacement at Enercare Centre - Phase II

Date: August 31, 2023

To: The Board of Governors of Exhibition Place

From: Don Boyle, Chief Executive Officer

Wards: 10 - Spadina - Fort York

SUMMARY

This report recommends approving a contract with Vanguard Mechanical Inc. ("Vanguard") of Toronto, Ontario for the replacement of electrical fan motors of the air handling units at the Enercare Centre, Phase II for Halls B, C, D, and Heritage Court. The tender call was issued on April 27, 2023 through Exhibition Place Purchasing and Materials Stores via Bonfire Online Procurement System, and the recommendation is to award the contract to the lowest compliant bidder meeting tender requirements and specifications within the available budget.

To meet timelines for construction due to supply chain delivery challenges and operational needs, on June 12, 2023, the Chair of the Board in consultation with the Chief Executive Officer of Exhibition Place, approved this contract award pursuant to their authority under the Board Financial By-law 2-18, Article X and seek concurrence of the Board.

RECOMMENDATIONS

The Chief Executive Officer recommends that:

1. The Board concur with the action taken by the Chair and the Chief Executive Officer in approving the award of Contract No. 23-076-37639 (RFT No. EP104-2023) to Vanguard Mechanical Inc. of Toronto, Ontario for the replacement of electrical fan motors at Enercare Centre - Phase II, in the amount of \$422,000.00 which includes a cash allowance of \$2,000.00 but excludes HST; this being the lowest compliant tender submission received following the public tendering.

FINANCIAL IMPACT

The financing for this project is included within the approved Exhibition Place 2023 State of Good Repair Capital Works Program.

DECISION HISTORY

The Exhibition Place 2022 – 2026 Strategic Plan has a goal to Solidify our Position as a Leading Convention and Event Space. Ensuring that our capital plan aligns with this initiative by modernizing building systems and components is a strategy to support this goal.

At its meeting of September 14, 2022, the Board approved the 2023 Capital Works Program budget. An amended version of this budget was subsequently adopted by City Council at its meeting on February 15, 2023.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.EP25.13>

COMMENTS

Background

This project is essential to maintain the Enercare Centre as a major trade show attraction and convention facility. The air handling units are integral to the Heating, Ventilation, and Air Conditioning (HVAC) system for the building. The building assessment study recommended replacement/retrofit of air handling units as they are over 25 years old. These units need to function properly to maintain occupant comfort and operational standards.

Each air handling unit contains a set of supply and exhaust/return fans which take air in and out of spaces or zones within the building. There is a motor inside each fan. Ten of such motors were replaced for Hall A in 2022. The scope of work for Phase II includes the replacement of twenty (20) motors (10 supply and 10 return fans) and associated parts inside the air handling unit fans for Halls B, C, D, and Heritage Court.

Tender Process

The tender for this contract was issued on April 27, 2023 through the Exhibition Place Purchasing & Materials Stores via Bonfire Online Procurement System and closed on May 16, 2023. Five (5) bidders attended the mandatory site tour meeting, and two (2) submissions were received, one (1) of which were compliant with the tender requirements. As the sole submission was over budget and as stipulated in the tender documents, staff negotiated through Purchasing with the sole compliant bidder and received a price reduction from the initial submission. The bidder's price submission(s), excluding HST, is as shown in the following Table 1.

Table 1: Tender Price Submission and the Recommended Contract

Bidder	Initial Base Bid Price Received	Negotiated Base Bid Price Received	Recommended Contract Price
Vanguard Mechanical Inc.	\$ 449,000.00	\$ 422,000.00	\$ 422,000.00

* LCD Mechanical Inc.			
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* Non-compliant - did not meet tender submission and/or qualification/experience requirements.

The lowest compliant bidder, Vanguard meets all tender requirements including those of qualification and experience. Vanguard was founded in 2005 and is currently a prominent mechanical contactor in the Industrial, Commercial, and Institutional (ICI) sector based in Toronto, Ontario. Its clientele ranges from hospitals within the University Health Network, to multiple school boards, municipalities, universities, and community housing bodies. Vanguard specializes in construction retrofit work on wet heat and cooling systems. The total value of contracts completed by Vanguard within the last three years was approximately \$26,000,000. Both Capital and Purchasing staff have reviewed the lowest compliant bid submitted by Vanguard. Based on their safety record and experience with similar projects, staff recommends award of the contract to the lowest compliant bidder, Vanguard Mechanical Inc.

The construction budget for this project is under the Enercare Centre and Coliseum Complex air handling units' replacement project with an available funding of \$352,000. The shortfall of \$70,000 is recommended to be supplemented from Enercare Centre associated mechanical/electrical sub-projects with available budget. Therefore, the recommended construction price of \$422,000 is within the available budget including supplementary funding as described above.

This recommendation is contingent upon approval by the Office of the City CFO & Treasurer and of the Surety Company proposed by the successful bidder for the supply of the bonding requirements. It is also subject to the City Fair Wage Office confirming that the recommended contractor and its subcontractors maintain wage rates and working conditions in accordance with Toronto Workers' Rights requirements.

CONTACT

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SIGNATURE

Don Boyle
Chief Executive Officer