



REPORT FOR ACTION CONTRACT AWARD

Contract Award - Five (5)-Year HVAC Maintenance and Repair Services Program (2026-2031)

Date: June 23, 2026

To: Board of Directors, Toronto Parking Authority

From: President, Toronto Parking Authority

Wards: 3, 5, 9, 10, 11, 12, 13, 14, 17, 18

SUMMARY

TPA's parking facilities are critical public assets that must be maintained in a safe, reliable, and customer-ready condition. As part of TPA's commitment to State of Good Repair, safety, and operational excellence, the ongoing maintenance of core building systems, including Heating, Ventilation and Air Conditioning (HVAC), is essential to preserving asset condition, reducing service disruptions, and supporting a positive customer and staff experience. A structured HVAC maintenance agreement ensures that these systems are inspected, maintained, and repaired through a consistent and accountable service model, helping TPA manage risk, extend the useful life of its assets, and maintain the reliability of its garage network.

The purpose of this report is to seek approval from the Board of Directors of the Toronto Parking Authority (TPA) to award and enter into a Heating, Ventilation and Air Conditioning (HVAC) maintenance services agreement with Standard Mechanical Systems Ltd. (Standard Mechanical). The proposed agreement would be for a three-year term, commencing April 1, 2026 and expiring March 31, 2029, with two optional one-year extension terms exercisable at TPA's discretion. The total contract value, including the optional extension terms, is \$960,272, net of all applicable charges and taxes.

The recommended agreement is based on the outcome of the City of Toronto's Negotiated Request for Proposal No. Doc5179720264, which was led by Corporate Real Estate Management (CREM) on behalf of participating City divisions, agencies, and corporations. TPA participated in and is leveraging this City-led competitive procurement process to obtain the same HVAC maintenance service levels, contractual standards, and competitively established pricing available through the broader City arrangement. This approach avoids the need for a separate TPA procurement process, supports consistency across the City's facility maintenance portfolio, reduces administrative burden, and provides value for money through a coordinated procurement model.

Under the proposed agreement, Standard Mechanical will provide a comprehensive range of HVAC services, including preventive maintenance, inspections, seasonal startup and shutdown, corrective maintenance, emergency response, repairs, inventory management, lifecycle reporting, and compliance with applicable legislative and industry requirements.

RECOMMENDATIONS

The President, Toronto Parking Authority, recommends that:

1. The Board of Directors of the Toronto Parking Authority authorize the President, Toronto Parking Authority, to negotiate, enter into, and execute a contract with Standard Mechanical Systems Ltd. for the provision of Heating, Ventilation and Air Conditioning Maintenance and Repair Services at various Toronto Parking Authority facilities, in accordance with the City of Toronto Negotiated Request for Proposal No. Doc5179720264, in an amount not to exceed \$800,227, plus a contingency allowance of \$160,045, for a total contract authority of \$960,272, net of all applicable charges and taxes, for a three-year term commencing April 1, 2026 and ending March 31, 2029, with two optional one-year extension terms from April 1, 2029 to March 31, 2030, and from April 1, 2030 to March 31, 2031, exercisable at the sole discretion of the Toronto Parking Authority, subject to satisfactory vendor performance and annual budget availability.

FINANCIAL IMPACT

Approval of this report authorizes an expenditure not to exceed \$960,272, net of all applicable charges and taxes, over a five-year period for the award of a contract to Standard Mechanical for the provision of HVAC Maintenance and Repair Services for various TPA facilities. Funding for Year 1 is included in the approved Operating Budget, with funding for subsequent years to be incorporated into future Operating Budgets.

The table below summarizes the projected expenditure over the five-year term. The proposed contract consists of three pricing components: preventive maintenance services, ad-hoc repairs and service calls, and a contingency allowance to address unplanned operational requirements, emergency repairs, and equipment additions.

Period	Maintenance Services (\$)	Ad-hoc Repairs & Service Calls (\$)	Contingency (\$)	Total (\$)
Year 1 (Apr 2026 – Mar 2027)	46,970	110,218	31,438	188,625
Year 2 (Apr 2027 – Mar 2028)	46,970	110,218	31,438	188,625
Year 3 (Apr 2028 – Mar 2029)	46,970	110,218	31,438	188,625

Option Year 4 (Apr 2029 – Mar 2030)	48,379	113,524	32,381	194,284
Option Year 5 (Apr 2030 – Mar 2031)	49,830	116,930	33,352	200,112
Total (5 Years)	239,118	561,108	160,045	960,272

Note: Values have been rounded to the nearest dollar; minor variances may occur due to rounding.

The City-led procurement and negotiation process achieved approximately \$3.63 million in cost avoidance, representing a 5.98% financial benefit across participating divisions and agencies.

CALL SUMMARY

Call Number: NRFP No. Doc5179720264

Call Issued: June 30, 2025

Call Closed: August 12, 2025

Number of Bids Received: Eight (8)

The City of Toronto issued a corporate Negotiated Request for Proposal for HVAC Maintenance and Repair Services on behalf of various City divisions, agencies, and corporations, including the TPA. CREM acted as the lead division for this procurement.

Eight suppliers submitted proposals and all suppliers satisfied the mandatory submission requirements. Following technical evaluation, three proponents achieved the minimum technical threshold and advanced to the financial evaluation and negotiation stage. Upon completion of the evaluation and negotiation process, Standard Mechanical achieved the highest overall ranking for Property Group 3, which includes TPA facilities, and is recommended for contract award.

DECISION HISTORY

At its meeting on September 29, 2021, the Toronto Parking Authority Board of Directors authorized the award of a contract to Standard Mechanical Systems Ltd. for the provision of Heating, Ventilation and Air Conditioning (HVAC) comprehensive maintenance services for various Toronto Parking Authority facilities for a term of three (3) years plus two (2) optional one-year extensions for a total contract value of \$558,977 net of all taxes and charges.

<https://secure.toronto.ca/council/agenda-item.do?item=2021.PA26.6>

At its meeting of November 17, 2016 (Minute 16-168), approved a TPA staff memorandum dated November 9, 2016 recommending that the five (5)-year, All Inclusive Mechanical Systems Comprehensive Service and Preventative Maintenance contract for Municipal Car Park Nos. 26, 36, 52, 68, 404 and the TPA property located at 838 Broadview Avenue, be awarded to AirCom Heating and Cooling Systems Ltd.

(AirCom), for a total amount of \$176,000.00, not including HST.
https://parking.greenp.com/app/uploads/2017/09/00000157_minutes.pdf

COMMENTS

The TPA operates a diverse portfolio of parking garages, office facilities, customer service locations, and supporting infrastructure that depends on HVAC systems to maintain safe, efficient, and uninterrupted operations. These systems are critical to customer comfort, employee well-being, asset protection, and operational continuity across the TPA portfolio.

The proposed contract is the result of City of Toronto Negotiated Request for Proposal No. Doc5179720264, a competitive procurement process led by CREM on behalf of multiple City divisions, agencies, and corporations. Under the procurement structure, TPA facilities were included within Property Group 3. Following the evaluation and negotiation process, Standard Mechanical. achieved the highest overall ranking and was identified as the successful proponent for Property Group 3.

The TPA proactively participated in the city-led procurement to capitalize on the benefits associated with a large-scale, multi-divisional RFP and to ensure continued access to high-quality HVAC maintenance services. Participation in the corporate call enabled TPA to benefit from a competitive marketplace, standardized contractual terms, and enhanced service requirements that support reliable operations and long-term value for money. This approach aligns with TPA's objective of leveraging procurement efficiencies to deliver cost-effective facility maintenance services across its portfolio.

The agreement includes preventive maintenance, inspections, seasonal startup and shutdown services, corrective maintenance, emergency response, repairs, equipment inventory management, lifecycle reporting, and compliance with legislative and industry requirements. The contract also establishes defined service levels, including response times for emergencies, urgent, and routine service requests, supported by a 24-hour operations center.

To support TPA's enterprise asset management plan, the supplier will maintain equipment inventories, provide annual equipment condition and lifecycle assessments, and identify assets approaching end of useful life. The proposed agreement also incorporates warranty obligations, performance monitoring, emergency response protocols, and regular business review meetings to improve service reliability, support future capital planning, and protect the long-term performance of HVAC assets throughout the portfolio.

CONTACT

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SIGNATURE

W. Scott Collier, President
Toronto Parking Authority

ATTACHMENTS

Attachment 1: Award Recommendation Ainsworth Standard Mech - signed
Attachment 2: Agenda Item History - 2021.PA26.6_Contract Award