



REPORT

TO: Mayor Bonnette and Members of Council

FROM: Aaron Matthews, Director of Facilities

DATE: June 2, 2022

REPORT NO.: RP-2022-0013

SUBJECT: Award of Proposal Arena Refrigeration Services Contract

RECOMMENDATION:

THAT Report No. RP-2022-0013 dated June 2, 2022, regarding the Award of Proposal for Refrigeration Services for Town Arenas - P-045-22, be received;

AND FURTHER THAT Council approve the refrigeration service contract award to Kore Mechanical Inc., (820 Gartshore Street, Unit 13, PO Box 37, Fergus, ON), for the Mold-Masters SportsPlex and the Acton Arena & Community Centre for a three (3) year term ending August 31, 2025 at the upset limit of \$450,000 inclusive of HST with two (2), one-year options to renew subject to service and price negotiations;

AND FURTHER THAT the Senior Manager of Purchasing & Risk Management be authorized to issue a purchase order to Kore Mechanical Inc., 820 Gartshore Street, Unit 13, PO Box 37, Fergus, ON for a three (3) year period and two (2) one (1) year renewals if exercised.

KEY POINTS:

The current Arena Refrigeration Services Contract expires August 2022. To obtain a priority service designation with firm rates for the noted period, a Request for Proposal for arena refrigeration services was issued on April 14, 2022.

Staff are seeking Council approval to meet objectives that will be beneficial to the continued high level of uninterrupted refrigeration services within the Town of Halton Hills arenas. They are as follows.

1. To secure a refrigeration contractor possessing sufficient experience and knowledge to respond to requirements and projected needs.

2. To secure a longer-term refrigeration contract that will allow for a predictable and affordable level of service.
3. To secure preferred refrigeration contractor(s) that can respond to emergency service requirements in a timely and cost-effective manner.

BACKGROUND AND DISCUSSION:

As part of the ongoing operation of the Town's municipal arenas, the refrigeration systems require regular, seasonal, and emergency maintenance and repair services. The Technical Standards Safety Authority (TSSA) regulates refrigeration and pressure vessels systems in Ontario and mandates that rink owners are required to have a refrigeration service contract with a qualified licensed contractor.

A designated contractor allows for timely response to unexpected maintenance issues and is critical to maintaining uninterrupted ice services. The impact of seeking alternate service options for each emergency including negotiating pricing and waiting to obtain service can be costly in dollars to the Town and service to our users. Designating a preferred refrigeration contractor(s) that can immediately respond to the need for emergency repairs will be beneficial and cost effective to our overall provision of service.

The Request for Proposal sought firm pricing for labour, service, and materials through August 2025, with an opportunity to extend the service contract for two additional one-year option periods based on satisfactory performance and price negotiation. The Town was seeking an option to extend the service contract to ensure a longer period of predictability and continuity of service.

The Request for Proposals for Refrigeration Services closed on May 12, 2022, and four (4) proposal submissions were received, as follows:

- Berg Industrial Service, Mississauga
- Black & McDonald Limited, Stoney Creek
- Drennan Refrigeration Incorporated, Mississauga
- Kore Mechanical Incorporated, Fergus

Each proponent was required to provide pricing and information on typical refrigeration maintenance items such as startup and shut down costs, compressor overhauls, safety inspections and oil changes. In addition, the proponents were required to provide standard refrigeration service particulars such as hourly maintenance rates for typical workdays, overtime rates for holidays, afterhours and weekends, and any applicable truck charges. All proposals were evaluated on price, response time, references, the assignment of experienced mechanics to service the equipment and any value-added benefits that they may provide.

The submission from Kore Mechanical Inc. was the highest ranked proposal.

Kore Mechanical Inc. has been the provider of the Town's refrigeration service since 2012. Staff is confident that they can effectively perform the required maintenance to provide reliable and continuous operations.

Staff reviewed the past records of refrigeration service and maintenance expenses and consequently will be able to annually budget with accuracy for this service once a new refrigeration contract is in place. Staff expect that the upset five-year expenditure limit on refrigeration services is \$450,000 for Mold-Masters SportsPlex and Acton Arena & Community Centre combined. These upset price estimates are based on annual expenditures over the course of the previous contract and consider equipment maintenance and industry costing trends.

STRATEGIC PLAN ALIGNMENT:

This report is administrative in nature and does not have an impact on the Town's Strategic Plan.

RELATIONSHIP TO CLIMATE CHANGE:

This report impacts and/or helps address climate change and the Town's Net Zero target through corporate energy savings.

PUBLIC ENGAGEMENT:

Public Engagement was not needed as this report is administrative in nature.

INTERNAL CONSULTATION:

Town purchasing staff facilitated the RFP process, and the Senior Manager of Purchasing and Risk Management agrees with this recommendation.

FINANCIAL IMPLICATIONS:

This report will be funded through an existing approved budget source.

Reviewed and approved by,

Samantha Howard, Acting Commissioner of Recreation and Parks

Jon Rehill, Acting Chief Administrative Officer