



STAFF REPORT ACTION REQUIRED

12.

Comprehensive HVAC and Chiller Maintenance Service – Award of Contract

Date:	February 10, 2014
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to request Toronto Public Library Board approval to award the contract for comprehensive heating, ventilation, air conditioning (HVAC) and chiller maintenance services, as per the Toronto Public Library's Request for Proposal (RFP) for Comprehensive HVAC and Chiller Maintenance Services.

It is recommended that the contract for comprehensive HVAC and chiller maintenance services be awarded to Dunlis Mechanical Services (Dunlis). Dunlis achieved the highest aggregate score among all bidders through the evaluation of proposals and the interview process. The award is for a three (3) year term, from March 1, 2014 to February 28, 2017.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. awards the contract to Dunlis Mechanical Services for comprehensive HVAC and chiller maintenance services, for a three-year term beginning March 1, 2014, at a cost of \$675,930 in the first year, \$694,210 in the second year and \$716,630 in the third year, for a total cost \$2,086,770 [excluding Harmonized Sales Tax (HST)]; and
2. authorizes and directs Library staff to take the necessary action to give effect thereto.

Implementation Points

The award of contract is subject to the review and approval of the City of Toronto Fair Wage Office.

FINANCIAL IMPACT

The total three-year cost for comprehensive HVAC and chiller maintenance service, beginning March 1, 2004, is \$2,086,770 (excluding HST):

- Year 1 - \$675,930
- Year 2 - \$694,210
- Year 3 - \$716,630

The first year of the contract represents a cost increase of \$166,358 in 2014 and this has been provided for in the approved 2014 operating budget.

The Director, Finance & Treasurer has reviewed this financial impact statement and is in agreement with it.

DECISION HISTORY

The most recent HVAC contract was awarded by the Board, at its July 26, 2011 meeting, to Ainsworth Incorporated. The award was for a two-year contract, which was extended on a month-to-month basis, until the RFP process for a new contract was completed.

ISSUE BACKGROUND

The Library considers a comprehensive HVAC and chiller maintenance services contract an essential component of facilities management. Proactive maintenance is critical to avoiding library services disruptions due to failure of HVAC and chiller systems. Such a contract will provide full service 24-hours-a-day, 7-days-a-week and includes full coverage of labour, parts and materials as well as emergency service.

COMMENTS

The purpose of this RFP was to solicit the best overall proposal from a qualified heating, ventilation, air conditioning service provider, to supply comprehensive HVAC and chiller maintenance services at identified Library locations. The recommended firm will maintain the efficiency, safety and rated capacity of all units and controls covered under the contract. The contract will include the performance of service work; recurring services such as preventative maintenance, and seasonal start-up and shut-down of equipment; regularly scheduled operational checks; water treatment service. The services to be performed under this contract will consist of providing labour, supervision, tools, materials, equipment, replacement of obsolete components, transportation, and permits and licenses as required.

Procurement Process and Evaluation Results

On October 25, 2013, the Library issued RFP TPL 043-2013 for Comprehensive HVAC and Chiller Maintenance Services and posted it on the Library's website and through Biddingo, a web procurement portal for government contracts. A total of 21 interested parties downloaded the RFP. The RFP closed on November 21, 2013, and four vendors submitted proposals.

The Evaluation Team reviewed the RFP proposals and conducted interviews with the four proponents to go over the proposals in detail. The evaluation of the proposals was based on the proponent's qualifications and understanding of the scope of work; the proponent's

approach and methodology; the proponent's work plan and the financial proposal. Dunlis achieved the highest aggregate score among all of the proponents and thus made them the recommended proponent. In addition, the Dunlis financial proposal represented the lowest total cost over the three-year term.

The RFP anticipates the addition of new libraries or additional space with a requirement that additional libraries or space would be added to the contract at an agreed upon amount not to exceed the price quoted for a similar sized branch based on square footage. During the term of the contract, if a branch is closed for renovations, the contract amount would be reduced by the amount for the branch, pro-rated to reflect the closure period.

The Library will conduct an annual performance evaluation of the service provider to ensure contract compliance and to determine whether satisfactory performance has been met.

CONCLUSION

It is recommended that the contract for comprehensive HVAC and chiller maintenance services be awarded to Dunlis Mechanical Services. Dunlis achieved the highest aggregate score among all bidders through the evaluation of proposals and the interview process and the financial proposal represented the lowest total cost. The award is for a three (3) year term, from March 1, 2014 to February 28, 2017.

CONTACT

Ron Dyck; Director, Information Technology & Facilities Management;
Tel: 416-393-7104; E-mail: rdyck@torontopubliclibrary.ca

SIGNATURE

Jane Pyper
City Librarian