



## Report to Council

Department: Community Services  
Division: Parks and Facilities  
Date: May 19, 2020  
Prepared by: Jackson Tang, Assistant Manager, Business Services  
Report Number: Parks and Facilities-2020-02  
Subject: Results of Request for Tender – Remove, Supply and Install Four Condensing Boilers  
Number of Pages: 4

### Recommendation(s)

**That** Parks and Facilities 2020-02 entitled Results of Request for Tender – Remove, Supply and Install Four Condensing Boilers prepared by Jackson Tang, Assistant Manager, Business Services dated May 19, 2020 be received; and

**That** Council award the Request for Tender – Remove, Supply and Install Four Condensing Boilers to Lekter Industrial Services Inc. in the amount of \$68,992.27 including non-refundable harmonized sales tax; and

**That** Council approve the addition of a 3<sup>rd</sup> domestic hot water boiler at the Essex Centre Sports Complex and the funding for this new capital asset in the amount of \$15,820.00 including the non-refundable tax be purchased by re-allocating \$10,000.00 from project CS-20-0047 (new Mural) and that the remaining \$5,820.00 to be funded through a forecasted under expenditure in the Essex Centre Sports Complex's 2020 operating budget account 'Building and Repairs – Other (52900)'.

## **Purpose**

Council approval is required to award the Request for Tender – Remove, Supply and Install Four Condensing Boilers at Essex Centre Sports Complex to Lekter Industrial Services Inc. and that the additional funds for the project be approved as per the recommendation above.

## **Background and Discussion**

In 2020, Council approved in the Capital Budget for the replacement of four condensing boilers at Essex Centre Sports Complex amounting to \$63,200.00. The original scope of work was to replace 2 of the domestic hot water boilers and 2 of the ice resurfacing boilers as they were beginning to deteriorate from the inside and were at the end of their normal life cycle. During the 2019/20 hockey season, Administration was receiving an increase in complaints from user groups on the water temperature in the showers and washrooms at the complex. To troubleshoot the issue, the Manager of Parks and Facilities had an engineering consultant review the domestic hot water system and they recommended that adding one additional boiler is required so that the current domestic hot water system can accommodate the current needs of hot water usage at the Essex Centre Sports Complex. The consultant reported that at peak time the facility uses approximately 388 gallons of water per minute when the showers (up to 12), hand basins in the washrooms, and canteen are being utilized. The current system can only supply approximately 200 gallons, and therefore to resolve the hot water issue in the domestic hot water system the consultant recommended a third boiler be added to this system.

The Manager of Parks and Facilities worked with the Assistant Manager of Business Services to prepare an amendment to the Request for Tender, and removed the 2 ice resurfacing boilers but kept the replacement of the 2 domestic hot water boilers and added a third domestic hot water boiler. This amendment would allow the facility to address the user group hot water issues, but would defer the replacement of the 2 ice resurfacing boilers to the 2021 capital budget.

A Request for Tender following the guidelines as set out in the Town's Procurement By-Law Number 1043 to replace four condensing boilers with the amendment to only replace 2 domestic hot water boilers and add a third was posted both on the Town's website and Merx, and closed on April 15, 2020 at 3:00:00 PM.

Administration reviewed the Tender submissions for specification compliance and found it to be complete. The results of the submitted tender prices are noted in Table below:

Name of Tenderer	Total Tender price including non-refundable Harmonized Sales Tax (1.76%)
Munger Plumbing and Electrical	\$70,721.17
Haller Mechanical Contractors Inc.	\$117,807.56
Lekter Industrial Services Inc.	\$68,992.27

Based on the pricing provided in the submissions, it is recommended that the lowest tender submitted by Lekter Industrial Services Inc. be accepted.

## Financial Impact

As per the 2020 Capital budget, \$63,200.00 (Project Code: CS-20-0116) was approved for the replacement of four condensing boilers. To address the current hot water issue at the Essex Centre Sports Complex and following the engineering consultant's recommendation the tender was amended to replace only 2 domestic hot water boilers and add a new third domestic hot water boiler. The cost to replace the two current domestic hot water boilers is \$53,172.27 including the non-refundable tax which falls within the 2020 capital budget for this project of \$63,200.00 with the funding coming from the asset management plan reserve. The addition of a 3<sup>rd</sup> domestic hot water boiler is considered a new capital asset, and therefore the asset management lifecycle reserve cannot be used to fund this new boiler. The cost for the installation of a 3<sup>rd</sup> boiler is \$15, 820.00 including the non-refundable tax and Administration is recommending re-allocating \$10,000.00 from project CS-20-0047 (new Mural) and that the

remaining \$5,820.00 be funded through a forecasted under expenditure in the Essex Centre Sports Complex's 2020 operating budget account 'Building and Repairs – Other (52900)'.

## **Consultations**

Finance Department was consulted in the preparation of this Report.

## **Link to Strategic Priorities**

- ☐ Manage, invest and plan for sustainable municipal infrastructure which meets current and future needs of the municipality and its citizens.
- ☒ Create a safe, friendly and inclusive community which encourages healthy, active living for people of all ages and abilities.
- ☒ Provide a fiscal stewardship and value for tax dollars to ensure long-term financial health to the municipality.
- ☐ Manage responsible and viable growth while preserving and enhancing the unique rural and small town character of the community.
- ☐ Improve the experiences of individuals, as both citizens and customers, in their interactions with the Town of Essex.

## Report Approval Details

Document Title:	Results of Request for Tender - Remove, Supply and Install Condensing Boilers.docx
Attachments:	
Final Approval Date:	May 13, 2020

This report and all of its attachments were approved and signed as outlined below:

**John Olsen, Manager, Parks and Facilities - May 12, 2020 - 8:56 AM**

A handwritten signature in black ink, appearing to read 'John Olsen', with a stylized flourish extending from the end.

**Doug Sweet, Director, Community Services/Deputy CAO - May 12, 2020 - 9:01 AM**

**No Signature - Task assigned to Chris Nepszy, Chief Administrative Officer was completed by workflow administrator Robert Auger, Town Solicitor, Legal and Legislative Services/Clerk**

**Chris Nepszy, Chief Administrative Officer - May 13, 2020 - 8:51 AM**