



**City of Kingston
Report to Council
Report Number 15-217**

To: Mayor and Members of Council
From: Lanie Hurdle, Commissioner, Community Services
Resource Staff: Luke Follwell, Director, Recreation & Leisure Services
Date of Meeting: March 24, 2015
Subject: Award of Contract for the Provision of Refrigeration
Maintenance Programs for City of Kingston Arenas

Executive Summary:

The purpose of this report is to seek Council approval to award the contract for the supply of Refrigeration Maintenance Programs for the City of Kingston arenas. Two (2) submissions were received and staff are recommending that the contract be awarded to the highest scoring proposal based on the evaluation criteria.

Sufficient funds for these services have been included in the operational budget for Recreation & Leisure Services.

The proposal from Cimco Refrigeration was not the lowest priced proposal received. Section 3.4, of the Purchasing By-Law requires that approval be sought by separate report to Council when the lowest bid or proposal is not accepted and when less than three (3) proposals are received.

Recommendation:

That Cimco Refrigeration be awarded a two year contract (RFP Number F31-CSG-RLS-2015-01) commencing April 1, 2015 ending March 31, 2017, with the option of two further one year renewals, at the sole discretion of the City, in the amount of \$23,922 per year plus HST; and

That the Mayor and Clerk be authorized to execute the contract in a form satisfactory to the Director of Legal Services.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

Lanie Hurdle, Commissioner, Community Services

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

Gerard Hunt, Chief Administrative Officer

Consultation with the following Members of the Corporate Management Team:

Cynthia Beach, Corporate & Strategic Initiatives

Denis Leger, Transportation, Facilities & Emergency Services

Not required

Jim Keech, President and CEO, Utilities Kingston

Not required

Desiree Kennedy, Chief Financial Officer & City Treasurer

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Options/Discussion:

Refrigeration maintenance with the City of Kingston has historically been covered through a combination of service contracts with two separate maintenance suppliers and the City’s internal trades. Aligning with industry best practice and taking advantage of economies of scale, staff took manufacturer recommended maintenance schedules and combined them with annual preventative maintenance tasks. Having a robust preventative maintenance program will reduce the necessity for after hour and emergency call outs, reducing costs and improving service delivery.

On January 14, 2015, two Requests for Proposal submissions were received for RFP Number F31-CSG-RLS-2015-01, Refrigeration Maintenance Programs for Various Kingston Arenas. Proposals were received from:

1. Cimco Refrigeration
2. Black & MacDonald

The submissions were reviewed by a cross departmental team and scored on the following criteria set out in the RFP:

| Evaluation Criteria | Weighting |
|---|-----------|
| Financial Component | 50% |
| Proposed Methodology and Customer Service | 30% |
| Company Profile & Reference | 17% |
| Accessibility Standards | 3% |

The table below provides the scoring for the two submissions received in response to the RFP.

| RFP Submission | Total Score | Annual Cost | Total Cost |
|---------------------|-------------|-------------|------------|
| Cimco Refrigeration | 94 | \$31,497 | \$62,994 |
| Black & MacDonald | 86 | \$27,919 | \$55,838 |

The top ranked proposal was from Cimco Refrigeration. Their annual cost included in the proposal is \$31,497 plus applicable taxes. It was not the lowest priced proposal received. Cimco scored significantly higher in the Proposed Methodology and Customer Service section. Comparatively, they presented a much more detailed and robust maintenance approach to our various refrigeration systems. In addition, their emergency management plan and response time were superior which will be critical in ensuring service delivery at all arenas.

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Existing Policy/By-Law:

By-Law 2000-134 A By-Law to Establish Purchasing Policies and Procedures

Notice Provisions:

Not applicable

Accessibility Considerations:

Accessibility criteria has been incorporated in the evaluation criteria of the RFP.

Financial Considerations:

Based on the current budget allocation for the City of Kingston Arenas, staff have confirmed there is sufficient funds in the operational budget to cover the costs of this contract. After examining maintenance costs in previous years, staff estimate that maintenance costs will be further reduced. It is also projected that service delivery will be enhanced with fewer mechanical failures.

Contacts:

Lanie Hurdle, Commissioner, Community Services 613-546-4291 extension 1231

Luke Follwell, Director, Recreation & Leisure Services 613-546-4291 extension 1815

Other City of Kingston Staff Consulted:

Alan McLeod, Senior Legal Counsel, Office of the City Solicitor

Adam McCluskey, Manager, Recreation Facilities, Recreation & Leisure Services Department

Darren Smith, Supervisor, Recreation Facilities, Recreation & Leisure Services Department

Janis Morrison, Purchasing Coordinator, Financial Services Department

Exhibits Attached:

Not applicable