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Town of Aurora
Committee of the Whole Report
No. CMS24-048

Subject: Contract Award - Preventative Maintenance and Servicing of Arena Refrigeration Equipment

Prepared by: Doug Bertrand, Manager, Facilities Management

Department: Community Services

Date: December 2, 2024

Recommendation

1. That Report No. CMS24-048 be received; and
2. That Council authorize Non-Standard procurement, under section 6.8 of the procurement policy to award the Preventative Maintenance and Servicing of Arena Refrigeration Equipment to CIMCO Refrigeration

Executive Summary

This report summarizes the request to authorize the award of Non-Standard Procurement for the Preventative Maintenance and Servicing of Arena Refrigeration Equipment

- The previous contract expired on December 31, 2023
- In 2024 two Non-Standard Procurement agreements were put in place, the preventive maintenance expires December 31, 2028, and repair service expires December 31, 2024.
- To manage the budget and adhere to the Procurement Bylaw staff recommend the contact be set up as standing offer
- Ice plant refrigeration systems are controlled by proprietary programs exclusively maintained by Cimco Refrigeration

Background

The purpose of the report is to obtain Council's approval to enter into a new contract with CIMCO Refrigeration for Preventive Maintenance and Servicing of Arena Refrigeration Equipment for a term of five (5) years

Council approved the previous non-standard procurement contract for a period of 5 years and the contract expired-on December 31, 2023

In 2019, Council authorized the sole source award for the supply of refrigeration equipment service on a contract basis and repair and maintenance on an as-needed basis be awarded to Cimco Refrigeration at the unit prices specified for a five (5) year contract, commencing January 1, 2019, up to and including December 31, 2023

In 2024 two Non-Standard Procurement agreements were put in place, the preventive maintenance expires December 31st, 2028, and repair service expires December 31, 2024.

In late 2023 pricing was received from Cimco for preventative maintenance services specified for a five (5) year contract; commencing January 1, 2024, to December 31, 2028, at this point one NSP Purchase Order was created.

It was determined that there was not sufficient funding on the one NSP to allow for repairs over the 5-year period, so a second NSP was created as a temporary measure as the current Bylaw requires Council approval for Non-Standard Procurements greater than \$250,000.00. This report is requesting approval to merge the two NSP purchase order into one NSP standing Offer.

The contract with Cimco is for an all-inclusive preventative maintenance program for arena refrigeration equipment at three (3) recreation facilities. Cimco is providing 24-hour service, seven-days per week. The service includes but is not limited to all labour and materials necessary to regularly inspect and maintain equipment, on-site support for start-up and shutdown of all Town rinks.

CIMCO Refrigeration, the incumbent, is the largest refrigeration service provider in North America with over 5,000 rinks. They have provided services to the Town of Aurora for many years and their knowledge and experience with of the Town's refrigeration plants has been imperative during a breakdown, or in emergency.

The current all-inclusive preventative maintenance program is a comprehensive plan to ensure continuous and safe operation of equipment (compressors, chillers, condensers, controllers, pumps, valves) at the following facilities:

- Aurora Community Centre (2 rinks)
- Aurora Family Leisure Centre (1 rink)
- Stronach Aurora Recreational Centre (2 rinks)

The contract also included an hourly rate for repairs required to the equipment not covered under the preventative maintenance inspections program or because of an unplanned failure. The original NSP did not include funding for additional repair services, as a result, a second NSP for repairs was created.

To manage the budget and adhere to the Procurement Bylaw staff recommend the contact be set up as standing offer

As per the Procurement By-law 6404-22, sole source award was replaced with Non-Standard Procurement. Under the previous Procurement Bylaw, the award to Cimco was approved as a Single Source purchasing where technical qualifications and compatibility with an existing product, equipment, facility, or services is a paramount consideration. The current Bylaw requires Council approval for Non-Standard Procurements greater than \$250,000.00.

To better manage the contract and budget staff recommend the contract be set up as standing offer. The purpose of the report is to obtain Council's approval to enter into a new contract with CIMCO Refrigeration for Preventive Maintenance and Servicing of Arena Refrigeration Equipment for a term of five (5) years.

Analysis

Ice plant refrigeration systems are controlled by proprietary programs exclusively maintained by Cimco Refrigeration

The Town of Aurora installed Cimco refrigeration equipment in three (3) ice arenas when they were constructed. The controllers for the equipment are proprietary and only Cimco can update, program, and maintain them. Without this service, the Town would be at risk of not being able to control the ice plant arena refrigeration systems

The Cimco Refrigeration preventative maintenance contract covers proprietary ice making controller/program technology and ammonia sensor emergency equipment systems at Town facilities.

Cimco Refrigeration have historically provided these services as well as rink start-up and shutdown at the Stronach Aurora Recreation Centre (SARC), the Aurora Community Centre (ACC) and the Aurora Family Leisure Complex (AFLC).

During this time, CIMCO has provided exceptional service and been reliable in minimizing downtime and keeping rinks optimal and safe across the Town.

Ice plant refrigeration is a niche market with a limited number of service providers. This is because it requires trained and certified personnel that can work with ammonia. Ammonia is used as a refrigerant in systems to cool the ice. Ammonia is considered a toxic substance and can cause severe injuries or death. For this reason, there are extremely strict legislation in place to reduce the risk of exposure to staff and visitors of recreational facilities.

Due to the limited number of local service providers who can provide certified technicians 24 hours a day, 7 days week regular and emergency service to Town arenas that utilize ammonia-based refrigeration systems, staff recommend awarding to CIMCO Refrigeration. This will ensure all refrigeration equipment and monitoring capabilities are being maintained by a service provider (manufacturer) who is familiar with the systems, and the Towns requirements for regular start-up and shutdown.

By entering this contract, the Town will be able to maintain service levels and fixed pricing from 2025-2030 and avoid any potential for large market increases.

Advisory Committee Review

None

Legal Considerations

In accordance with the Procurement Bylaw, Council approval is required since this is a Non-Standard Procurement greater than \$250,000.00. If Council authorizes the procurement, Town staff will have authority to finalize and enter into an agreement, pursuant to the Town of Aurora Procurement Policy. The agreement will be reviewed by Legal Services.

Financial Implications

Staff recommends the Town to enter into a new contract with CIMCO Refrigeration for Preventive Maintenance and Servicing of Arena Refrigeration Equipment for a term of five (5) years.

The contract would commence on January 1, 2025, and end December 31, 2029, for a total value of \$524,789.35. The preventative maintenance pricing is fixed for 5 years totalling \$149,785.35. The contract also included an hourly rate (regular and overtime hours) for repairs required to the equipment not covered under the preventative maintenance inspections program or because of an unplanned failure. The repairs would also be managed through the standing offer, based on approved operating funds with the Facilities Management budget annually. The funding for repairs in the Operating Budget outlook for the next 5 years is \$375,000.

To manage the budget and adhere to the Procurement Bylaw staff recommend the contact be set up as standing offer. The standing offer would include both preventive maintenance and repairs as required.

The contract would be managed with funding already included in the 2025 budget and in the 2026- 2027 operating budget outlook and beyond.

Communications Considerations

None

Climate Change Considerations

Impacts on greenhouse gas emissions (GHG) Mitigation. Mitigation measures through proper maintenance and repair can reduce the risk of emissions of harmful greenhouse gases that cause climate change

Link to Strategic Plan

Maintaining the Town's Ice Plant Refrigeration equipment supports the strategic plan goal of Supporting an Exceptional Quality of Life for All through its accomplishment in satisfying the requirement in the following key objective within this goal statement:

Invest in sustainable infrastructure: Maintain and expand infrastructure to support forecasted population growth through technology, waste management, roads, emergency services and accessibility

Alternative(s) to the Recommendation

Council may choose to not award this contract to Cimco Refrigeration. The Town will be without a qualified refrigeration contractor to work and perform maintenance on proprietary ice making controller/program technology and ammonia sensor emergency equipment systems.

Conclusions

Staff recommends the Town to enter a new contract with CIMCO Refrigeration for Preventive Maintenance and Servicing of Arena Refrigeration Equipment for a term of five (5) years.

Attachments

None

Previous Reports

CMS19-001, Sole Source Award for Cimco Refrigeration, January 15, 2019

Pre-submission Review

Agenda Management Team review on November 14, 2024

Approvals

Approved by Robin McDougall, Director, Community Services

Approved by Doug Nadorozny, Chief Administrative Officer