



CORPORATION OF THE TOWNSHIP OF ESQUIMALT

Municipal Hall
1229 Esquimalt Road
Esquimalt, B.C. V9A 3P1

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REQUEST FOR DECISION

DATE: June 28, 2021 Report No. EPW-21-018
TO: Laurie Hurst, Chief Administrative Officer
FROM: Jeff Miller, Director of Engineering and Public Works

SUBJECT:
Municipal Hall Ventilation Upgrade Tender Award

RECOMMENDATION:

That Council award the Contract for the Municipal Hall Ventilation Upgrade to Island Temperature Controls for \$260,770 (not including GST).

RELEVANT POLICY:

2021 - 2025 Financial Plan

STRATEGIC RELEVANCE:

Local Services and Infrastructure - Identify infrastructure repair and proactively plan for replacement needs.

BACKGROUND:

The Municipal Hall was built in 2003 and is 18 years old. The six heating/ventilation/air condition (HVAC) units are the original units from 2003. Over the past several years these units have exceeded their life expectancy and have experienced significant failures. This project will see the replacement

of these HVAC units with new ones. The new units along with the new control system will provide heating and cooling for the Municipal Hall in an effective and efficient manner.

The scope of work for the project includes:

- Replacement of six (6) existing rooftop gas-fired packaged DX Cooling Units with six (6) new heat pump units.
- Addition of two (2) Heat Recovery Ventilators (HRVs) in place of exhaust and transfer fans, and addition of ductwork and terminations to support HRV installation.
- Addition of two (2) concealed destratification fans.
- Replacement of one (1) Electric Duct Heater (EDH) and associated ductwork.
- Rebalancing of air terminals throughout the building.
- Integration of the above into the existing Direct Digital Controls (DDC) system.

The tender for the project was released on May 25, 2021 and closed on June 18, 2021.

Evaluation criterion for this project was based on a weighted evaluation strategy. This criterion included:

- Cost - 45 points
- Schedule - 30 points
- Experience and capacity - 15 points
- Past performance - 10 points

A total of one (1) bid was received:

Bid 1 - Island Temperature Controls

- \$260,770.00 (not including GST)

ISSUES:

1. Rationale for Selected Option

The existing units are operating at less-than-optimal efficiency and are suffering from failures that do not allow a balanced flow of heating and cooling into the Municipal Hall. This creates an uncomfortable working environment for both staff and visitors.

The units are being replaced as spare parts are difficult to obtain and the costs of carrying out repairs is equal to replacement. By replacing the units, they will begin a new life cycle and with regular maintenance will be functional for 15 to 20 years.

Staff is recommending that the contract be awarded to Island Temperature Controls.

2. Organizational Implications

The project will see work carried out during and after normal business hours of the Municipal Hall. The project will be structured so that various departments operating within the Municipal Hall will continue to function with little or no interruption. Public Works Staff will attend the after-hours work to maintain project control and inspection. The intent is to commence this work at the end of

September with completion on or before October 30, 2021.

The Public Works Manager and the Public Works Technical Support staff have incorporated this project into their work plans for the year.

3. Financial Implications

In Staff Report EPW-21-008, staff recommended that the budget for this project be \$375,000 based on current budget expenditures and a Class C cost estimate for the work. The Tendering process has yielded a cost of \$260,770 (not including GST). Any remaining funds in the project budget will be returned to the Infrastructure and Revitalization Reserve Fund at the completion of the project.

4. Sustainability & Environmental Implications

The new units will lower energy use by the Municipal Hall and will help lower the creation of Green House Gases. The various components are beginning their life cycle and with proper maintenance will provide service to the Municipal Hall for the next 15 to 20 years of the building's life cycle.

The existing HVAC units contain refrigerant gas. The Contractor is aware of this and has indicated in their bid where this material will be disposed of safely. As well, the Contractor has also indicated that where possible they will try to salvage material from the existing units.

5. Communication & Engagement

The successful bidder will be notified verbally and by written correspondence that they have been awarded the contract. Notification of the scope of work and construction time frame will be posted on the Township's website and other social media as the project moves forward.

ALTERNATIVES:

1. That Council award the Contract for the Municipal Hall Ventilation Upgrade to Island Temperature Controls for \$260,770 (not including GST).
2. That Council not award the Contract for the Municipal Hall Ventilation Upgrade to Island Temperature Controls and that the tender be cancelled.