

## Staff Report

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**Report To:** City Council  
**Report From:** Bradey Carbert, Manager of Corporate Services  
**Meeting Date:** December 12, 2022  
**Report Code:** CR-22-109  
**Subject:** Approval of Non-standard Procurement – Bayshore  
Community Centre Dehumidifier Replacement

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### Recommendations:

THAT in consideration of Staff Report CR-22-109 respecting Approval of Non-standard Procurement – Bayshore Community Centre Dehumidifier Replacement, City Council:

1. Approves the non-standard procurement for the supply, delivery, and installation of dehumidifiers from CIMCO Refrigeration Inc. for \$279,840.00, including the City's non-refundable allocation of HST; and
2. Authorizes the Director of Corporate Services to issue a Purchase Order for the supply, delivery, and installation of the necessary equipment.

### Highlights:

- The replacement of the Bayshore Community Centre Dehumidifiers is approved in the 2023 Capital Budget.
- The existing units will be 30 years old at the time of replacement and were sized for the original footprint of the arena.
- The anticipated delivery and installation date of dehumidification equipment is currently estimated at 35-40 weeks from the time of purchase order, however some work can commence once the ice has been removed.

- The installation of new equipment should improve air quality, draw in new air, decrease the load on the refrigeration equipment, and reduce the amount of “fog” during warmer or wet outside conditions.

## **Strategic Plan Alignment:**

This report supports the delivery of Core Service.

## **Previous Report/Authority:**

The replacement of the Bayshore Community Centre Dehumidifiers is approved in the 2023 Capital Budget.

## **Background:**

Section 33 of the By-law 2020-022 (Purchasing By-law) permits non-standard procurement processed under a series of options, including the procurement of goods, services, construction, or consulting services through a Vendor of Record (VoR) program, where analysis supports best value.

The City joined the Local Authority Services (LAS) Canoe Procurement program in the fall of 2022 to leverage pricing received under the competitive procurement programs initiated by the Canoe Procurement program.

Section 34 of the Purchasing By-law requires that non-competitive purchases greater than \$100,000 must be approved by Council.

## **Analysis:**

Staff recommend the non-competitive procurement award for the design, supply, delivery, and installation of one (1) new CDI DH 160 dehumidification unit, including all structural, electrical, and ductwork, from CIMCO Refrigeration Inc. through the LAS Canoe Procurement Sports Arena Supply VoR program.

CIMCO Refrigeration Inc. was the highest-scoring proponent for the supply of arena refrigeration and operation equipment through the competitive bid process completed by the LAS Canoe program. The pricing component of their submission includes various discounts on equipment, engineering, and

other technical services. It includes applying these discounts on bundled services for the design, supply, delivery, and installation of equipment.

In addition to the benefits of the VoR program, Arena Operations staff support the purchase of the dehumidification equipment from Cimco Refrigeration Inc. because of their familiarity with the Bayshore Community Centre through the recent refrigeration equipment upgrade, their dedication towards completion of work within approved schedules, and their understanding of the operation of existing equipment as they are the City's current operations and maintenance support contractor. The purchase is also recommended by the City's third-party refrigeration engineering consultant. In addition, the proposed dehumidification equipment is similar to the equipment in operation at the Julie McArthur Regional Recreation Centre, allowing for maintenance activity consistencies and recognizing the satisfactory performance from the existing units by staff.

The installation of the new dehumidification unit is anticipated within 35-40 weeks of the City's issuance of a Purchase Order. It can be completed with minimal disruption to ice surface/building users, with some components being able to commence after the ice has been removed and in advance of the dehumidifier being delivered to site.

### **Financial Implications:**

The approved 2023 Capital Budget for the replacement of the Bayshore Community Centre Dehumidifiers is \$300,000 and is funded from the 2023 tax levy.

The bid submitted by CIMCO Refrigeration Inc. is \$279,840.00, including the City's non-refundable allocation of HST. Staff are also allocating an internal contingency allowance of \$15,160 to offset additional requirements during equipment replacement or due to price fluctuations on volatile materials.

The remaining \$5,000 has been committed to the City's third-party refrigeration engineering consultant.

The estimated annual costs associated with the new equipment are anticipated to be lower than the cost of operating the two existing units while providing enhanced dehumidification. This will be reflected in the 2024 tax supported operating budget.

## **Communication Strategy:**

The Request for Proposal, issued by the LAS Canoe Procurement program / Sourcewell in the fall of 2020, was posted in accordance with the requirements of the City's purchasing policies and procedures.

## **Consultation:**

Manager of Arena Operations

## **Attachments:**

Capital Budget Sheet 23H.8 – Bayshore Community Centre Dehumidifier Replacement

## **Recommended by:**

Kate Allan, Director of Corporate Services

## **Submission approved by:**

Tim Simmonds, City Manager

For more information on this report, please contact Bradey Carbert, Manager of Corporate Services, at [bcarbert@owensound.ca](mailto:bcarbert@owensound.ca) or 519-376-4440 x 1240.