

REPORT OF THE AIRPORT AND FACILITIES MANAGER FOR THE CONSIDERATION OF COUNCIL RE: REPLACEMENT OF THE DEHUMIDIFIER, BOILERS AND MULTIPLE HVAC SYSTEMS

OBJECTIVE

To provide Council with information regarding for balance of work for replacement of the dehumidifier, boilers and multiple HVAC systems at the Ruben Yli Juuti Centre.

RECOMMENDATION

THAT Staff Report dated April 25, 2022 from the Airport and Facilities Manager regarding the replacement of the dehumidifier, boilers and multiple HVAC systems be received

AND THAT the City of Elliot Lake enter into a contract with Ainsworth for the supply and installation of a new boiler, HRV equipment for viewing area and boiler room, new exhaust fans in change rooms, heat/air conditioner rooftop unit for fitness room, installation of newly purchased HRV for change rooms at the at the Ruben Yli Juuti Centre in the amount of \$524,695.06

AND THAT the required funds be taken from the facilities reserve per the 2022 municipal capital budget (approved in principle).

BACKGROUND

By the direction of Council, Staff applied for the Community Enhancement Grant through the NOHFC for work to be completed at the Ruben Yli Juuti Centre. This work included replacement of the dehumidifier, boilers and multiple HVAC systems. The application was in the amount of \$923,000. \$500,000 of which was grant funds leaving \$423,000 as the responsibility of the municipality.

In the first phase of the project, the dehumidifier was tendered and awarded to Ainsworth in the amount of \$393,375.96.

The second phase consists of the following items:

- New boiler
- HRV equipment for viewing area and boiler room
- New exhaust fans in change rooms
- Heat/air conditioner rooftop unit for fitness room
- Installation of newly purchased HRV for change room

These items were all listed in the original grant application.

ANALYSIS

Staff put out a tender to supply and install at the facility a new boiler, HRV equipment for viewing area and boiler room, new exhaust fans in change rooms, heat and air conditioning rooftop unit for fitness room, installation of newly purchased HRV for change rooms, and replacement of existing ductwork in Dectron room.

- Ainsworth - \$524,695.06 (plus applicable taxes)
- Patrick Mechanical - \$657,418.00 (plus applicable taxes)

All suppliers have quoted on the same hardware.

The cost of the engineering services is \$82,768.00 and was included in the original budgeting.



FINANCIAL IMPACT

The original budget for the project was \$923,000 the revised budget is \$1,000,839, which represents a \$77,839 overrun in costs. It is important to note that original budgeting was done in December 2020 and staff have seen dramatic increases in costs throughout this process due to the pandemic. While the overrun is a substantial figure, an 8.4% increase is reasonable in comparison to other sectors.

| Contracts | Amount <i>(plus applicable taxes)</i> |
|------------------------------|---|
| Engineering | \$82,768 |
| Ainsworth (Dehumidifier) | \$393,375 |
| Ainsworth (Boiler/HVAC) | \$524,695 |
| Contingency/Incidentals (5%) | \$50,042 |
| Total | \$1,050,881 |

| Funding Sources | Amount <i>(plus applicable taxes)</i> |
|------------------------|---|
| NOHFC Grant | \$500,000 |
| Facilities Reserve | \$550,881 |
| Total | \$1,050,881 |

The approved in principle 2022 Capital Budget detailed the following lines related to this pool mechanical improvements:

| | |
|----------------------------------|------------------|
| Boiler replacement | \$203,520 |
| HVAC upgrades | \$45,792 |
| Replacement of Pool Dehumidifier | \$470,131 |
| Total | \$719,443 |

At this moment, the net impact to reserves is \$168,562 less than budgeted; thereby improving the outlook of the facilities reserve.

SUMMARY

Staff is recommending that the bid submitted by Ainsworth, in the amount of \$524,695.06 (plus applicable taxes) for the sale and installation of the new HVAC and heating equipment for the municipal pool be approved.

