



**Date:** February 26, 2024

**To:** Mayor and Council

**Author:** Tim Del Greco, Senior Manager, Capital Projects and Engineering

**RE:** Kingsville Arena – Condenser Replacement

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## **RECOMMENDED ACTION**

1. That replacement of the Kingsville Arena Condenser Unit **BE AWARDED** to Black & McDonald (single sourced) in the amount of \$159,853 (excluding HST) and that Administration **BE AUTHORIZED** to execute the requisite agreement.

## **BACKGROUND**

A rooftop condenser unit at Kingsville Arena forms part of the refrigeration system required to maintain the ice slab to an appropriate temperature.

The condenser unit is aged and starting to show signs of mechanical failure. Further, the condenser is undersized (and inefficient) for both the initial start to the ice season as well as the end of the season. This is because outdoor temperatures are typically warmer during these time periods. As a result, Administration requested funds to replace the condenser in 2024.

## **DISCUSSION**

Black & McDonald ("B&M") has been the sole service provider for the arena refrigeration system for ten-plus years. This is due to a lack of qualified local technicians who are capable of maintaining arena refrigeration. Over the years, B&M has provided reliable and timely service to Kingsville and have prevented any service interruptions to user groups relating to refrigeration (no downtime).

In 2023, B&M was awarded the work to replace one of the arena refrigeration compressors (approximate value of this project is \$78,000). There were only two bidders for this project with B&M being the low bidder. This work is scheduled for the summer of 2024.

The Town recently became aware that the lead times for delivery of a new condenser unit are quite long and subject to change.

Considering the above, B&M was requested to provide a quote for the replacement of the arena condenser. It is preferred to award this work to B&M for a number of reasons, including:

- There is a significant amount of work with both the compressor and condenser replacement, including the replacement of associated piping, valves, electrical work, etc. One contractor for both projects eliminates the concern for scheduling conflicts and interference between projects.
- There is potential for voiding warranties with overlap of several contractors.
- Ordering of the condenser unit can be expedited.
- Savings are anticipated with one contractor as there is an overlap of work between both projects. More specifically, if a separate contractor is hired to replace the condenser, they will be charging for work already being completed by B&M through the compressor replacement project. Examples of this duplicate work include:
  - Removing and isolating all ammonia from the system.
  - Locking out the system.
  - Renting of a crane.
  - Installing new vent line piping.
  - Painting and labelling piping per TSSA requirements.
  - Labor and material to recharge all glycol and ammonia and test and commission the system.
  - TSSA and ESA inspections.
  - Clean the site and de-mobilize.

B&M provided the Town with a quote to supply and install a new condenser, along with other miscellaneous works, for a cost of \$159,853 (excluding HST).

However, at this current time, the lead time for delivery of the condenser unit is 16 weeks. This lead time does not allow for much delay prior to awarding this project in order to ensure the work is completed in the summer of 2024. The Town's Procurement of Goods and Services By-Law does allow for single sourcing in situations whereas competitive methods may result in the Town's inability to obtain the deliverable in time.

## **FINANCIAL CONSIDERATIONS**

The award of \$159,853 (excluding HST) is within the amount budgeted for this project in the 2024 Capital Budget.

## **ENVIRONMENTAL CONSIDERATIONS**

The installation of a new, larger condenser unit will result in less run time in order to maintain appropriate ice temperatures. Less run time equates to less energy and water usage and decreases maintenance.

## CONSULTATIONS

Kingsville Administration  
Black & McDonald

PREPARED BY:



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