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Date September 26, 2023 **Report No.** 2023-592

To Mayor and Members of City Council

From Inderjit Hans, P. Eng., PMP
Commissioner, Public Works Commission

1.0 Type of Report

Consent Item ☐

Item For Consideration ☒

2.0 Topic **PW-ENG Civic Centre HVAC System Budget Update** **[Financial Impact: \$750,000]**

3.0 Recommendation

- A. THAT Staff Report 2023-592, Civic Centre HVAC System Budget Update, BE RECEIVED; and
- B. THAT the additional budget requirement of \$750,000 for the installation of a heating, ventilation and air conditioning (HVAC) system at the Brantford Civic Centre BE FUNDED from the Casino Legacy Reserve (RF0555).

4.0 Executive Summary

This report is before Council without prior consideration at Committee of the Whole because staff requires approval of additional funds in order to have a sufficient budget to complete the HVAC installation at the Brantford Civic Centre on time. The additional budget required for the installation of an HVAC system at the Brantford Civic Centre is to support the relocation of the Hamilton Bulldogs to the City of Brantford. Trane Canada was engaged through the Kinetic Group Purchasing Organization (GPO) process to provide a turnkey solution for the design and installation of a new HVAC system at the Civic

Centre with a cost estimate of \$4.25M, which the City received on September 15, 2023. Delivery lead times on the equipment units are approximately 5-7 months which makes timing of this approval for additional funds of the utmost importance. In order to meet the constrained timeline requirements of the project an increase of \$750,000 to the previously approved budget of \$3.5M is required to meet the \$4.25M cost estimate. The installation of the HVAC system in the facility will maintain a stable ice surface during OHL 2023-24 season playoffs as well as improve the users' experience and maximize the public's use of the facility during the summer season.

5.0 Purpose and Overview

The purpose of this report is to provide Council with an update on the HVAC installation and seek approval for the additional budget required to complete the project at the Brantford Civic Centre.

6.0 Background

At the Special City Council meeting on February 7, 2023, staff report No. 2023-58 - Term Sheet for OHL Team Agreement for Brantford Civic Centre was received and approved. One of the recommendations within the report was to approve the installation of an HVAC system in the Civic Centre estimated at that time to be approximately \$1,625,000 and that this cost be funded from the Casino Legacy Reserve.

At the Council meeting on March 28, 2023, staff report No. 2023-256 – Brantford Civic Centre HVAC System Non-Competitive Procurement was received and approved. The recommendation was for a non-competitive procurement for the installation of an HVAC system however, in April 2023, staff notified Council that the City and the vendor of choice agreed to not continue to partner on this project and that the City, instead, follow the request for proposal process.

In May 2023, the City engaged Trane Canada ("Trane") under the Kinetic group purchasing organization (GPO), contract RFSO Contract Number: 23-01 for HVAC Equipment, Installation, Services and Related Products & Services to provide an estimate for a full turnkey solution (design and installation) for a new HVAC system at the Civic Centre. After some initial investigation by Trane, on June 15, 2023 Trane indicated that the approximate budget for this project would be in the range of \$3,500,000. This range was similar to the estimate provided by the initial vendor of choice through the non-competitive process in April.

Therefore, at the Finance Committee meeting on June 21, 2023, staff report No. 2023-331 – Update on Capital Projects was received and approved with the recommendation that the Commissioner of Public Works and the Purchasing Officer be authorized to execute an agreement with Trane for the HVAC installation at the Brantford Civic Centre with an increase of \$1,875,000 to the project budget to a total of \$3,500,000. This was subsequently approved at the City Council meeting on June 27, 2023.

7.0 Corporate Policy Context

This recommendation meets with the current Council Priority #2 “Focus on productive and collaborative partnerships”

8.0 Input From Other Sources

This report was prepared in collaboration with Purchasing, Legal, and the Finance department. Estimates and information related to the design and implementation of the HVAC system was submitted by Trane Canada and reviewed by staff in the Engineering Services Department.

9.0 Analysis

9.1 Project Budget Update

Since Council’s approval to increase the budget to \$3.5M and Trane being awarded the contract to design and install the HVAC system, more detailed reviews and several site inspections of the system were undertaken by Trane to better refine the costs for the installation. Trane noted during their detailed review and assessment that an additional budget of \$750,000 is required in part due to the material/labour costs and equipment delivery lead times but also the complexity of the install made even more challenging by completing it during the Brantford Bulldogs’s season and finding windows of opportunity in the schedule to perform the work..

The timeframe for completion of this project is extremely constrained as the City is required to have the HVAC system in place and functioning for Spring 2024 – in time for a potential Brantford Bulldogs playoff season. Delivery lead times on the equipment units are approximately 5-7 months, which makes timing of this approval for additional funds of the utmost importance.

10.0 Financial Implications

The previously approved budget of \$3,500,000 for the Civic Centre HVAC project has been provided from the Casino Legacy Reserve (RF0555). Through a review of the current commitments from this reserve, staff has confirmed that funding is available from the Casino Legacy Reserve (RF0555) for the increased costs of \$750,000.

11.0 Climate and Environmental Implications

There are no climate and environmental implications associated with this report.

12.0 Conclusion

The City has been granted approval by Council to move forward with required renovations of the Brantford Civic Centre to accommodate the relocation of the Hamilton Bulldogs to the City of Brantford including the installation of a new HVAC system in the facility. In order to meet the timeline requirements, Trane Canada was engaged through the Kinetic process and the cost estimate to provide this service is \$4.25M requiring an increase to the initial budget by \$750,000. This report is being considered by Council without prior notice because of the constrained timelines to deliver the project and the lead time required to purchase the material and equipment.



Inderjit Hans, P. Eng., PMP
Commissioner, Public Works Commission

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Attachments (if applicable)

Copy to:

In adopting this report, is a by-law or agreement required? If so, it should be referenced in the recommendation section.

By-law required	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Agreement(s) or other documents to be signed by Mayor and/or City Clerk	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Is the necessary by-law or agreement being sent concurrently to Council?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no