



THE CORPORATION OF THE TOWN OF AMHERSTBURG

OFFICE OF PARKS, FACILITIES & RECREATION

Mission Statement: As stewards of the Town of Amherstburg, we strive to improve the quality of life of all residents through the delivery of effective, efficient, and affordable services.

Author's Name: Heidi Baillargeon	Report Date: March 26, 2025
Author's Phone: 519 736-5712 ext. 2128	Date to Council: April 14, 2025
Author's E-mail: hbaillargeon@amherstburg.ca	Resolution #:

To: Mayor and Members of Town Council

Subject: 2025 Arena and Ice Infrastructure Award of Boiler Replacement Tender

1. RECOMMENDATION:

It is recommended that:

1. A total project cost of \$191,305 inclusive of non-recoverable HST **BE APPROVED** for this project and;
2. The Chief Administrative Officer and the Town Clerk **BE AUTHORIZED** to sign a contract with Cardinal Services Group Inc. in the amount of **\$179,930** plus HST and contingency, for boiler replacement at the Libro as per Tender #2025-002, satisfactory in financial content to the Chief Financial Officer, and in technical content to the Director Parks, Facilities, and Recreation; and
3. The funding shortfall of \$91,305 **BE FUNDED** from General Reserve (0400) as follows:
 - a. \$56,305 and;
 - b. Re-allocation of \$10,000 approved in 2025 for the Libro Life Cycle Project – Artificial Turf (#724032/FAC-003-24) and;
 - c. Re-allocation of \$25,000 approved in the 2024 for the Lexon Panel replacements (#723004/FAC-001-23); and
4. Recommendation number three (#3) included in CR20230911-002, more specifically:

“Net proceeds from the sale of the current Zamboni **BE DIRECTED** to the Libro Ice and Arena Infrastructure project (#723004), along with any surplus funding after the purchase of the Electric Zamboni, estimated at \$58,381, to be use towards the purchase of additional ice maintenance equipment required for the Libro Centre rinks.”

BE RESCENDED and BE REPLACED with;

“Net proceeds from the sale of the current Zamboni **BE DIRECTED** to the General Reserve (0400) and the surplus funding of \$56,305 in the Zamboni project (#723004/FAC-001-23) **BE DIRECTED** in the New Capital Reserve (0401)

5. The Chief Administrative Officer **BE DELEGATED** authority to Award and issue purchase orders and/or sign and execute agreements as may be required for the necessary services to execute the scope of work for the boiler replacement project at the Libro.

2. BACKGROUND:

The boilers in the Libro facility function to provide hot water for showers, bathrooms, make ice, and function as backup heat within the radiators to assist the geo-thermal system. In the fall of 2024 one of the two boilers in the mechanical room failed at the start of the 2024/2025 season. The remaining boiler kept the facility operational but is now also showing signs of failure. Without the boilers, the Town will not be able to make ice, provide hot water in the washrooms and change rooms nor have a backup for the radiators to aid the geo-thermal heating system.

For quality assurance, the system was designed with two boilers to adequately service the Libro facility. One boiler has completely failed requiring immediate replacement and the other boiler is showing signs of failure. It is recommended that both boilers be replaced at this time to ensure the successful operation of the Libro for future seasons.

3. DISCUSSION:

The 2025 Capital Budget identified \$100,000 under FAC-001-23 for the replacement of one (1) boiler and re-lamping with LED energy efficient lighting at the Libro as at that time, it was anticipated that only one (1) boiler would be replaced. After the budget was approved, the second boiler started to show signs of failure. As a result replacement of both units is now required. Upon further investigation regarding both the boiler replacement and re-lamping with more energy efficient LED lights, the approved budget will only allow for the two boilers to be replaced at this time. Re-lamping with more energy efficient LED lights as well as the replacement of Lexan panels at the Libro identified in 2024 and 2025 will come back to Council for consideration as part of the 2026 budget deliberations.

On January 20, 2025 the Town issued Tender #2025-002 via bids and tenders for the supply and installation of two new boilers at the Libro Centre. The Town of Amherstburg

received eight (8) submissions, one of which was non-compliant and therefore not included below. The compliant bids were:

1. Cardinal Services Group Inc. \$226,930.00
2. Cimco Refrigeration \$246,769.00
3. Black & MacDonald Ltd. \$256,200.00
4. Ainsworth Inc. \$268,591.00
5. Lekter Industrial Services Inc. \$283,706.00
6. Haller Mechanical Contractors Inc. \$307,100.00
7. Carrier Commercial Services \$307,296.00

Of note all bids, including the one removed as it was not compliant, were substantially over budget given the new need for two units as opposed to one. As per the purchasing by law Administration entered into negotiations with the lowest compliant bidder, Cardinal Services Group Inc. This resulted in a final tender price of \$179,930 plus HST.

Despite the results of the negotiations providing for a lower tender value, the overall cost remains in excess of the approved budget. In addition, there is a risk of additional costs should unexpected issues occur during the project and as such a modest contingency of \$8,200 is being requested for the project. This will provide for an overall requested budget of \$191,305, inclusive of the tender cost, non-recoverable HST and contingency, resulting in a \$91,305 shortfall in funding. The financial matters section of the report outlines the funding strategy to address the \$91,305.

4. RISK ANALYSIS:

Aforementioned, the boilers in the Libro facility function to provide hot water for showers, bathrooms, make ice, and function as backup heat within the radiators to assist the geo-thermal system. Failure to replace the existing boiler infrastructure has the potential to severely limit the function and successful operation of the Libro facility. In order to minimize this risk, it is recommended that the boilers be replaced. This is considered possible and is of medium impact.

With the purchase of any new piece of equipment there are ongoing maintenance and replacement costs to consider. In order to minimize any risk for replacement, these components are captured under the current asset inventory for the Town to ensure the appropriate funding is identified for lifecycle replacement.

5. FINANCIAL MATTERS:

On January 20 2025 via bids and tenders a total of eight (8) bids were received to replace two boilers at the Libro. All bids submitted for this project came in above the approved capital budget. Upon negotiation with the *lowest qualified compliant bidder*, the cost to replace both boilers is \$179,930 plus non-recoverable HST and a minor contingency of \$8,200 resulting in a total project budget of \$191,305.

The 2025 Capital Budget approved funding for the Libro Arena and Ice Infrastructure (#723004/FAC-001-23) in the amount of \$100,000 funded from the General Reserve Fund (0400). These funds are mainly for the replacement of the boilers and noted may also be used for the re-lamping within Rink 'A' with LED lights. Given the results of the tender the full \$100,000 will need to be used for the priority of project being the boiler.

Future capital budgets will consider the timing and request for funding to address the LED lights.

This leaves a \$91,305 shortfall in funding. Administration has reviewed various capital projects and determine the following funding sources.

During the 2025 budget deliberations Council approved \$50,000 from the General Reserve (0400) for the planning, design and engineering for the replacement of the Artificial Turf, included in the Libro Life Cycle Project (FAC-003-24). There is also additional funding requested in 2026, 2029 and 2030 for this project. Administration has determined that a \$10,000 reduction in this approved funding will not materially change the timing for the project as the replacement of the turf will take several years to build up enough funds for the project to proceed. Therefore, Administration deems this a lower priority than the boiler project and recommends use of these funds be redirected accordingly.

During the 2024 budget deliberations Council approved \$25,000 from the General Reserve (0400) for the replacement of Lexon panels in the arena, included in the Libro – Arena and Ice Infrastructure Project (FAC-001-23). This project is also deemed to be a lower priority than the boiler project and Administration recommends use of these funds be redirected accordingly.

Council received a report on September 11, 2023 regarding the purchase of the new electric Zamboni. The following recommendations were approved by Council in that report:

Resolution # 20230911-002

Moved By Councillor Allaire

Seconded By Councillor Pouget

That:

1. An expenditure for the purchase of a 2024 Zamboni 650 Electric **BE APPROVED** with a total cost not to exceed \$198,131.97 plus HST;
2. The purchase of the 2024 Zamboni 650 Electric **BE AWARDED** to Zamboni Company Ltd.; and,
3. Net proceeds from the sale of the current Zamboni **BE DIRECTED** to the Libro Ice and Arena Infrastructure project (#723004), along with any surplus funding after the purchase of the Electric Zamboni, estimated at \$58,381, to be use towards the purchase of additional ice maintenance equipment required for the Libro Centre rinks.

The Mayor put the Motion.

Motion Carried.

Of note, the final surplus on the project is \$56,305, rather than the estimated \$58,381. Administration is not able to recommend the surplus be directly used to fund the boiler

project as the funding source is New Capital (0401). That said, Administration is recommending that the Zamboni surplus funds be returned to the New Capital Reserve (0401) rather than to the Libro Ice and Arena Infrastructure for the purchase of additional ice maintenance equipment. By directing those funds to the New Capital Reserve Administration can recommend use of General Reserve funds (0400) for the boiler project. This results in an overall net impact to our reserves of \$0, as the increase to New Capital offsets the use of General Reserve. Recommendations to rescind the previous direction and amend are included in this report in order for this to be achieved.

The funding recommendations above have no impact on the overall reserve balances of the Town. Any projects for which funding has been reduced or eliminated are of a lesser priority and can be revisited during the development of future capital budgets.

6. ASSET MANAGEMENT IMPACTS:

Every asset the Town adds to its current inventory must be accounted for in the Town’s Asset Management Plan the boilers are captured and accounted for in the Towns current asset management plan.

7. CONSULTATIONS:

Procurement Specialist
 Facilities Manager
 Asset Management Coordinator
 Deputy CAO / Director of Development Services

8. CORPORATE STRATEGIC ALIGNMENT:

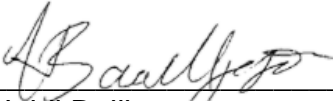
Vision: Preserving our past while forging our future.

<i>Amherstburg Community Strategic Plan 2022 - 2026</i>	
<p style="text-align: center;">PILLAR 1 Deliver Trusted & Accountable Local Government</p> <ul style="list-style-type: none"> <input type="checkbox"/> Improve trust between council and staff, and residents, by strengthening governance and internal accountability structures. <input type="checkbox"/> Deliver transparent and efficient financial management. <input type="checkbox"/> Increase effective communication and engagement with residents. <input type="checkbox"/> Develop our staff team, resources, and workplace culture. <input type="checkbox"/> Continue to deliver strong core municipal services. <input type="checkbox"/> Ensure Amherstburg is an inclusive accessible and welcoming community committed to reconciliation. 	<p style="text-align: center;">PILLAR 3 Encourage Local Economic Prosperity</p> <ul style="list-style-type: none"> <input type="checkbox"/> Encourage development of commercial and industrial lands. <input type="checkbox"/> Continue to promote local tourism industry, especially overnight accommodation. <input type="checkbox"/> Continue to facilitate downtown development for residents and visitors. <input type="checkbox"/> Continue to leverage partnership opportunities with other provincial, federal, and local governments, agencies, and organizations.

<p style="text-align: center;">PILLAR 2 Invest in Community Amenities and Infrastructure</p> <ul style="list-style-type: none"> ✓ Maintain safe, reliable and accessible municipal infrastructure and facilities. ✓ Increase access to recreation opportunities for all ages. <input type="checkbox"/> Finalize and execute plans for town-owned lands (e.g. Duffy’s site, Belle Vue) <input type="checkbox"/> Create public access to water and waterfront <input type="checkbox"/> Prioritize opportunities to reduce environmental impacts of Town operations and increase Town resilience to climate change. 	<p style="text-align: center;">PILLAR 4 Shape Growth Aligned with Local Identity</p> <ul style="list-style-type: none"> <input type="checkbox"/> Define and communicate a vision for the Town’s future and identity. <input type="checkbox"/> Promote and plan for green and “climate change ready” development. <input type="checkbox"/> Review and implement policies that promote greater access to diverse housing. <input type="checkbox"/> Protect the Town’s historic sites and heritage. <input type="checkbox"/> Preserve the Town’s greenspaces, agricultural lands, and natural environment.

9. CONCLUSION:

Administration recommends moving forward with the award of Tender #2025-002 to Cardinal Services Group Inc. in the amount of **\$179,930** plus HST and contingency to replace the failing boiler system at the Libro Recreation Complex.



 Heidi Baillargeon
Director of Parks, Facilities and Recreation

Report Approval Details

Document Title:	2025 - Arena and ice infrastructure - Award of Tender.docx
Attachments:	
Final Approval Date:	Apr 3, 2025

This report and all of its attachments were approved and signed as outlined below:



Heidi Baillargeon



Tracy Prince



Valerie Critchley



Kevin Fox