



THE CORPORATION OF THE TOWN OF AMHERSTBURG

OFFICE OF PARKS, FACILITIES, RECREATION & CULTURE

MISSION STATEMENT: *Committed to delivering cost-effective and efficient services for the residents of the Town of Amherstburg with a view to improve and enhance their quality of life.*

Author's Name: Terry Fasan	Report Date: May 16, 2022
Author's Phone: 519 7360012 ext. 2126	Date to Council: May 24, 2022
Author's E-mail: tfasan@amherstburg.ca	Resolution #:

To: Mayor and Members of Town Council

Subject: Libro Re-piping Kube System – Tender Award

1. **RECOMMENDATION:**

It is recommended that:

1. Council **APPROVE** a reallocation of funds from Capital Project LIBRO – 006 Light Standards and LIBRO-007 Replace Lexon Panels which will no longer be completed in order to fund LIBRO-005, Re-pipe Kube System that was tendered and is over budget and further;
2. Tender #2022-017 Libro Centre Piping Replacement be **APPROVED** in the amount of \$222,000 plus HST and awarded to low bidder WINMECH LTD to supply all labour and materials to completely replace existing failing piping for the Kube System as outlined in Tender 2022-017 and further;
3. The Chief Administrative Officer and the Town Clerk **BE AUTHORIZED** to sign a contract in the amount of \$222,000.00 inclusive of contingency with low bidder (WINMECH LTD) satisfactory in form to the Town Clerk, financial content to the Chief Financial Officer, and technical content to the Director Parks, Facilities, Recreation and Culture

2. **BACKGROUND:**

The Kube system is a geothermal system that runs the entire heating and cooling system at the Libro Complex. This is a very complex system, there are only a few of its kind in all of Canada. When the building was constructed, PVC piping was installed, and is now at the end its serviceable life and needs to be replaced. Late last year and in early part of 2022 a few pipes burst needing emergency repairs, which had the Town within hours of losing the ice surface. After this incident Administration performed investigative work, and put forward a Capital project to replace all the piping feeding the Kube System. This work was not originally in the capital forecast, but after further investigation is necessary.

3. DISCUSSION:

Administration prepared preliminary cost estimates for this work prior to the 2022 budget approval with recommendations from a number of sources indicating the project could range anywhere from \$125,000 to \$145,000 on the high end not including contingency. Current tender prices indicate the cost of materials has risen substantially from estimates prepared in February 2022. If this project is not approved the pipes will continue to fail and the Libro Centre will need to close. In order to fund the project within the currently approved Capital portfolio Administration is recommending the following two projects be postponed and undertaken in a future year subject to budget approval:

Libro - 006 Light Standards (\$32,200.00)
Libro - 007 Replace Lexon Panels (\$18,800.00)

The funding identified above is necessary to make up the short-fall in the original capital estimate, and provide the opportunity for the Town to make the necessary repairs to the system inclusive of a contingency in order to keep the building operating.

4. RISK ANALYSIS:

If the work outlined herein is deferred in anyway there is a high probability the piping will continue to fail and the Libro could be shut down. This is considered likely, and of high impact. In addition, there are extraneous circumstances beyond administrations control such as material shortage, and/or back order of parts which could delay the project and will affect user groups that depend on space, and ice allocations, to run their programs. Timely approval of this work is paramount in order to mitigate these risks.

5. FINANCIAL MATTERS:

The 2022 Capital Budget approved \$170,000.00 for piping replacement at the Libro as outlined in LIBRO – 005. On May 13, 2022 Tender 2022-017 closed with the lowest compliant bid at \$201,000.00 not including contingency, or HST. Working within the currently approved Capital Budget allocations Administration is recommending the reallocation of funds from the following 2022 Capital projects, which would not proceed in order to fund the cost of the Kube Re-piping project:

Libro - 006 Light Standards (\$32,200.00)
Libro - 007 Replace Lexon Panels (\$18,800.00)

The reallocation of funds will allow for the Re-Piping project to move forward with the lowest compliant bidder and will allow for a contingency of approximately \$20,000.

6. CONSULTATIONS:

Manager of Recreation
Director of Corporate Services

7. **CONCLUSION:**

The Re-piping of the Kube system at the Libro is necessary in order for the facility to continue to deliver recreational service for the community.

Terry Fasan

Terry Fasan C.E.T.
Manager of Facilities

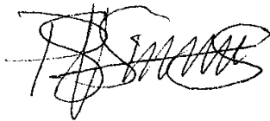
Report Approval Details

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



Tracy Prince



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Valerie Critchley