

Municipality of Lakeshore – Report to Council

Growth & Sustainability

Community Services



To: Mayor & Members of Council

From: Frank Jeney, Division Leader – Community Services

Date: November 22, 2021

Subject: Tender Award – Atlas Tube Recreation Centre LED Lighting

Recommendation

Award the tender for the Atlas Tube Recreation Centre LED Lighting retrofit to Energy Network Services in the amount of \$344,665.80 plus applicable HST to be funded in part from the 2021 capital projects budget to a maximum of \$237,450.85 and, in part and up to a maximum of \$44,814.95 from the facilities reserve in 2022, all as presented at the January 18, 2022 Council meeting.

Background

The Municipality of Lakeshore entered into a contract with SNP Technical Services on March 22nd 2021 after an RFP for the Atlas Tube Recreation Centre's LED Lighting Consulting Services. SNP Technical Services began work on March 23rd 2021. The consultant was tasked with providing information regarding which LED fixtures would be best used in the many spaces within the Atlas Tube Recreation Centre's Phase One (1) portion of the building. (This does not include the WFCU Pools, phase two (2)).

The goal is to reduce lighting operating and maintenance costs by \$124,100 annually (10 year NPV of over \$571,000) and to capture \$62,400 in SaveOnEnergy incentives. The existing lighting being used in the original section of the recreational complex is fluorescent T8 or T5 tubes, along with some fluorescent pot lights. Due to recent increases in maintenance costs of the existing lights, LED technology is being implemented. This retrofit will be eligible for incentives from the IESO. An application has been submitted for the SaveOnEnergy incentives before starting the project (after Council had approved the Project in the 2021 Budget). It is expected that the incentive will be approximately \$62,400.

In August 2021, samples from four different lighting manufacturers were installed within the Rock Rink at the ATRC. These lights and controls were tested and evaluated for function, operation, ease of installation and expected material cost. Estimated material and installation costs and warranty replacement costs were considered together with material availability and warranty coverage.

In October 2021, a RFT for LED Lighting at the ATRC was posted publicly on Bids & Tenders with a closing date of November 5th 2021. The tender specified the manufacturer and models of fixtures to be installed, together with locations for all lighting retrofits. The attachment 1 (ATRC LED List of New Fixtures Lamps Ballasts) outlines the fixtures specified in the RFT.

Based on the lowest bid received from the RFT, an updated Lighting Retrofit Project Financial Analysis (attachment 2) was completed in November 2021 by SNP Technical Services (recently re-branded as Tandem Engineering Group), outlining the updated project financials such as Simple Payback of 2.3 years, and SaveOnEnergy incentive estimate of \$62,400.

Comments

There were four (4) submissions for the ATRC LED Lighting RFT which are detailed below. Energy Network Services has the most cost effective proposal.

Energy Network Services	Energy Network Services	Master In Electric	Master In Electric	Dynamic Energy Services	Dynamic Energy Services	Vollmer	Vollmer
Material, <u>Daytime</u> Labour and Disposal	Material, <u>Evening/Weekend</u> Labour and Disposal	Material, <u>Daytime</u> Labour and Disposal	Material, <u>Evening/Weekend</u> Labour and Disposal	Material, <u>Daytime</u> Labour and Disposal	Material, <u>Evening/Weekend</u> Labour and Disposal	Material, <u>Daytime</u> Labour and Disposal	Material, <u>Evening/Weekend</u> Labour and Disposal
\$344,665	\$344,665	\$384,570	\$571,180	\$382,207	\$399,654	\$501,469	\$518,178

Others Consulted

SNP Technical Services (recently re-branded as Tandem Engineering Group)

Financial Impacts

The financial break down of the Recommendation is detailed below.

\$260,000.00	Approved in 2021 Budget	Capital Project	ATC-21-6516
-\$11,599.45	SNP LED Lighting Consulting	Phase 1	Pre-Tender: Design, Build, Tender

-\$10,949.70	SNO LEF Lighting Consulting	Phase 2	Post-Tender: Construction, Commissioning
\$237,450.85	Remaining after consulting		
-\$344,665.80	Energy Network Services		Material, Labour (Install), Disposal
-\$107,214.95	Shortfall		
\$62,400.00	Estimated SaveOn Energy incentive		See attachment “LED Project Financial Analysis - Nov 2021”
\$-44,814.95	Requested from Facilities Reserve		Pending Council Approval

Attachments

Attachment 1 - LED Project Financial Analysis – Nov 2021

Attachment 2 - ATRC LED List of New Fixtures Lamps Ballasts

Report Approval Details

Document Title:	Tender Award – Atlas Tube Recreation Centre LED Lighting.docx
Attachments:	- Attachment 1 LED Project Financial Analysis - Nov 2021.pdf - Attachment 2 ATRC LED List of New Fixtures Lamps Ballasts.pdf
Final Approval Date:	Dec 7, 2021

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

Justin Rousseau

Kristen Newman

Truper McBride