

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON JUNE 15, 2015.
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	SINGLE SOURCE AWARD OF CONTRACT FOR PHASE 5 FACILITY RENEWAL AND ENERGY RETROFIT PROGRAM

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, with the concurrence of the Managing Director, Parks & Recreation and Manager of Purchasing and Supply, the following actions **BE TAKEN** with respect to the Phase 5 – 2015 Facility Renewal and Energy Retrofit Program:

- a) the attached proposal Schedule A to (Appendix “B”) submitted by Ameresco Canada Inc., 90 Sheppard Avenue East, 7th Floor, Toronto, ON, M2N 6X3, to undertake the Phase 5 – 2015 Facility Renewal and Energy Retrofit Program at an upset limit of \$1,907,338.00 excluding HST **BE ACCEPTED** on a single source basis in accordance with section 14.4 (d) of the Procurement of Goods and Services Policy;
- b) the financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached as Appendix “A”;
- c) future annual operating savings of approximately \$48,100.00 **BE RECOGNIZED** as a result of this project; it being noted that these savings will assist in achieving future budget targets;
- d) the attached proposed by-law (Appendix “B”) **BE INTRODUCED** at the Municipal Council meeting on June 25, 2015 to:
 - i) approve an agreement between The Corporation of the City of London and Ameresco Canada Inc., for Phase 5 2015 Facility Renewal and Energy Retrofit Program at an upset limit of \$1,907,338.00; and
 - ii) authorize the Mayor and the City Clerk to execute the agreement forming Schedule “A” to the by-law appended hereto as Appendix “B”

PERTINENT REPORTS RELATED TO THIS MATTER

Board of Control - August 24, 2005, Energy Management and Facility Renewal Services

Board of Control - December 14, 2005, Corporate Energy/Asset Renewal Management Program

Board of Control - April 25, 2007, Corporate Energy/Facility Renewal Program Status Update and 2007 Program

Board of Control – April 23, 2008, 2008 Facility Renewal and Energy Retrofit Program

Board of Control – March 4, 2009, 2009 Facility Renewal and Energy Retrofit Program, Phase III

Corporate Services Committee – June 18, 2013, 2013 Facility Renewal and Energy Retrofit Program Phase IV

BACKGROUND

PURPOSE

The purpose of this report is to seek Council approval authorizing the Mayor and City Clerk to execute an agreement with Ameresco Canada Inc., to complete a facility renewal and energy retrofit project.

CONTEXT

The Corporate Services – Finance Service Area is committed to pursue comprehensive Energy Management/Asset Renewal Strategies. The project being recommended continues our efforts to address opportunities of improved energy and operational savings while addressing identified life cycle maintenance needs to maintain City of London facilities at a high standard of user readiness.

RATIONALE FOR SINGLE SOURCE

Ameresco Canada was approved as the City of London’s energy service partner in 2006 at which time a multi-year \$21.7 million Facility Renewal/Energy Project program was recommended.

Ameresco has subsequently undertaken \$13.85 million of approved Facility Renewal and Energy Retrofit Programs (Phases I, II, III and IV) that will result in approximately \$416,000.00 in cumulative savings to the end of 2013.

It is recommended that our partnership with Ameresco be continued as a single source service in accordance with the Procurement of Goods and Services Policy clause 14.4(d):

There is a need for compatibility with goods and/or services previously acquired or the required goods and/or services will be additional to similar goods and/or services being supplied under an existing contract.

The single sourcing of this service for Phase 5 of the Facility Renewal and Energy Retrofit Program will continue our efforts to realize operating efficiencies and reduce energy consumption in our facilities.

CONCLUSION

City staff is satisfied with the performance of Ameresco Canada on the previous four phases of Facility Renewal and Energy Retrofit Program work and recommends acceptance of their 2015 Facility Renewal and Energy Retrofit Program Phase 5 agreement to complete required Life Cycle Renewal needs with a focus on energy conservation.

ACKNOWLEDGEMENTS

This report was prepared by Allan Taylor of the Facilities Division with input from John Freeman of Purchasing & Supply and David Mounteer of the City Manager’s Department.

SUBMITTED BY:	REVIEWED AND RECOMMENDED BY:
JIM KLINGENBERGER MANAGER, FACILITIES ASSETS, ENERGY & RELIABILITY	TIM WELLHAUSER DIVISION MANAGER, FACILITIES
CONCURRED BY:	RECOMMENDED BY:
ANNA LISA BARBON DIRECTOR, FINANCIAL SERVICES	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER

Attach: Appendix “A” – Sources of Financing
Appendix “B” – Proposed By-law
Appendix “C” - Ameresco Proposal

cc. John Freeman, Purchasing & Supply
Dave Mounteer, Legal Services