



City of Richmond

Report to Committee

To: Public Works and Transportation Committee **Date:** October 18, 2023
From: Martin Younis, B. Eng., M. Eng. **File:** 06-2000-01/2023-Vol 01
Director, Facilities and Project Development
Re: **Award of Contract – Direct Digital Controls Maintenance Services**

Staff Recommendations

1. That Direct Digital Controls Maintenance Services be awarded to Ainsworth Inc., in the amount of \$2,609,707.00 for a five-year term as described in the report titled "Award of Contract – Direct Digital Controls Maintenance Services," dated October 18, 2023, from the Director, Facilities and Project Development;
2. That the Chief Administrative Officer and General Manager, Engineering and Public Works be authorized to extend the initial five-year term, up to the maximum total term of seven years, for the maximum total amount of \$3,807,027.00 as described in the report titled "Award of Contract – Direct Digital Controls Maintenance Services," dated October 18, 2023, from the Director, Facilities and Project Development; and
3. That the Chief Administrative Officer and General Manager, Engineering and Public Works be authorized to execute the contract and all related documentation with Ainsworth Inc.

Martin Younis, B. Eng., M. Eng.
Director, Facilities and Project Development
(604-204-8501)

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Finance Department	<input checked="" type="checkbox"/>	
SENIOR STAFF REPORT REVIEW	INITIALS:	APPROVED BY CAO

Staff Report

Origin

The City requires a Direct Digital Controls maintenance services contractor to complete preventative maintenance, demand maintenance and system monitoring to all City buildings that operate using this technology. The City has 46 facilities that operate through the use of Direct Digital Controls systems. These systems are essential to the safe and efficient operation of the City's facilities and to contribute to the City's energy reduction and sustainability goals.

The City currently engages Ainsworth Inc. on a month-to-month basis to complete Direct Digital Controls maintenance services. It is necessary to secure a dedicated contractor for the long term to ensure the continuity of this service.

This report supports Council's Strategic Plan 2022-2026 Focus Area #3 A Safe and Prepared Community:

Community safety and preparedness through effective planning, strategic partnerships and proactive programs.

3.4 Ensure civic infrastructure, assets and resources are effectively maintained and continue to meet the needs of the community as it grows.

This report supports Council's Strategic Plan 2022-2026 Focus Area #5 A Leader in Environmental Sustainability:

Leadership in environmental sustainability through innovative, sustainable and proactive solutions that mitigate climate change and other environmental impacts.

5.1 Continue to demonstrate leadership in proactive climate action and environmental sustainability.

Analysis

Direct Digital Controls

Direct Digital Controls infrastructure has been installed in 46 of the City's buildings as approved through prior capital projects to optimize the buildings heating, ventilation, air conditioning and lighting systems and to minimize disruptions. The controls infrastructure is made up of electrical and mechanical components that are programmed to suit the individual buildings specific needs and to optimize energy usage. The system can be operated remotely, in real time, through staff devices such as phones, laptops, iPads, etc., and staff receive notifications when there are building system components that require attention.

City Hall is an example of one of the City facilities that is operated through the use of Direct Digital Controls. Heating, ventilation, air conditioning and lighting are automated to suit weather and temperature conditions during open and non-open hours and are easily adjustable to accommodate events and other specific needs. These automated processes result in energy-use reductions and support the City's overarching sustainability goals.

It is a long-term goal to implement Direct Digital Control in all City facilities.

Scope of Work

Specifics of the scope of work to complete Direct Digital Controls maintenance services includes the following:

- mechanical equipment and control device condition inspections;
- calibration of mechanical equipment and control devices;
- emergency repair of mechanical equipment and control devices;
- review, interpretation and fine-tuning of system notifications;
- lighting control operations system review, fine-tuning and adjustments;
- network performance diagnosis;
- mechanical, electrical and controls preventative maintenance; and
- system performance reporting.

This scope of work is necessary to maintain the reliability and continuity of the Direct Digital Controls operating systems at each of the City's buildings. This work is also necessary to maintain the City's progress in reaching the energy reduction and overall sustainability goals.

Public Tendering

A Notice of Intent to Contract Ainsworth Inc. as a single-source contract was posted to BC Bid on January 23, 2023. The noted scope of work was posted to provide inspection, monitoring, preventative and demand maintenance, small installations, repairing, parts, consulting and related labour services on all installed Direct Digital Controls throughout City-owned buildings.

The Notice of Intent to Contract Ainsworth Inc. closed on February 6, 2023. The posting specifically asked that anyone requesting more information and/or requesting that this contract be offered by way of a public competitive process is asked to submit a statement of capabilities to the City's Manager of Purchasing. There were no responses received.

Single Source Contract

The proposal was reviewed by staff and a consultant with expertise in Direct Digital Controls to confirm Ainsworth Inc.'s capability and compliance. Ainsworth Inc. was founded in 1933 and has extensive capabilities through their numerous technical experts and administrative processes. Ainsworth Inc. recently acquired the City's previous Direct Digital Controls contractor, ESC Automation Inc., who have been providing excellent service to the City since the introduction of these systems approximately a decade ago.

Ainsworth Inc. (formerly ESC Automation Inc.) is the only agency authorized to represent, sell and install Delta Controls products in Canada, which is the system of controls installed in City buildings. This is consistent with the Direct Digital Controls industry whereby all organizations who provide this type of service also have exclusive arrangements with other manufacturers of Direct Digital Controls products.

Financial Impact

The five-year term estimated cost for the services required by the City is based on the rates proposed by Ainsworth Inc. as summarized in Table 1 below. The annual estimated costs are consistent with the City’s historical costs for this service and reflect good value as confirmed by staff and a consultant who specializes in this line of work. A contingency of 25 per cent has been included to account for continued cost escalation, unplanned emergency repairs related to the City's ageing infrastructure and to allow for future additional buildings that may fall under the City's responsibility.

Funding for this award of contract can be accommodated within the existing operating budget.

Table 1: Total Five-Year Term Cost

2024	\$478,200.00
2025	\$502,116.00
2026	\$521,931.00
2027	\$542,964.00
2028	\$564,496.00
Total (5 Years)	\$2,609,707.00

The City has the option to extend the proposed contract for two additional one-year terms. The estimated cost associated with this extension is summarized below in Table 2.

Table 2: Contract Extension for Two Additional Years

2029	\$586,934.00
2030	\$610,386.00
Total (2 Years)	\$1,197,320.00

The cost to contract Ainsworth Inc. for a total of seven years is \$3,807,027.00.

Conclusion

This report presents the rationale and associated costs for continued servicing of the City's Direct Digital Controls systems. An initial five-year term is proposed and subject to continued performance by Ainsworth Inc. with an option to extend the contract for an additional two-year term. Servicing of the City's Direct Digital Controls systems will allow for continued building systems optimization and the associated environmental savings.



Jeff Lee
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JL:cc