

Corporate Services Commission Procurement Services Department www.newmarket.ca

April 14, 2014

Corporate Services Commission – Procurement Services Development and Infrastructure Services Commission – Facility Services

JOINT REPORT 2014-30

TO:	Committee of the Whole
SUBJECT:	Report on Single Source Purchase Ice Resurfacing Machines Award to: Zamboni Company Ltd
ORIGIN:	Director, Public Works Services Manager, Procurement Services

RECOMMENDATIONS

THAT Corporate Services Commission – Procurement Services and Development and Infrastructure Services Commission – Facility Services Joint Report 2014-30, dated April 14, 2014, regarding Single Source contract for Ice Resurfacers be received and the following recommendation be adopted;

THAT Council approve a five (5) year Single Source contract for the supply and delivery of Ice Resurfacers, as follows:

Estimated Delivery		Unit Cost	Quantity	Description	Extended Cost
2014	\$	86,495.00	1	Zamboni 525	\$ 86,495.00
2015	\$	88,000.00	1	Zamboni 525	\$ 88,000.00
2016	\$	89,500.00	1	Zamboni 525	\$ 89,500.00
2017	\$	90,750.00	3	Zamboni 525	\$ 272,250.00
2018	\$	92,500.00	1	Zamboni 525	\$ 92,500.00
SUB TOTA	LSI	NGLE SOURCE CO	ONTRACT		\$ 628,745.00

BACKGROUND

Committee of the Whole deferred Joint Report 2014-05 during the March 17, 2014 meeting regarding a Single Souring of supply and delivery of Zamboni Ice Resurfacers.

395 MULOCK DR., P.O. BOX 328, STN MAIN NEWMARKET, ON L3Y 4X7 Direct Dial: 905-953-5300 Tel: 905-895-5193 Fax: 905-953-5100 In discussion on the Report, Committee asked for additional information on pricing of competitor Ice Resurfacers and more detailed technical background on the advantage of the Zamboni machines.

COMMENTS

The Manager, Procurement Services supports the recommendation by the Manager, Facility Services and Fleet Supervisor that a single source contract be established with Zamboni Company Ltd for several reasons including but not limited to: both operators and mechanics would have to learn to operate and maintain two different manufacturer Ice Resurfacers, a second line of parts would need to be stocked and the Zamboni brand Ice Resurfacer has a hydrostatic transmission vs automatic transmission provided by competitors. Other reasons include quality and consistency of the ice, fuel savings, efficiency and timeliness of work and a history of proven support from the current manufacturer.

Cost

Through examination of recent tendering processes from other municipalities, the average cost of the Olympia similar to the model of Zamboni quoted above (model 525) was within \$100 or approximately equal. Seven Municipalities throughout Ontario, who recently purchased Ice Resrufacers were contacted. The quotes noted above were below those of tender prices for the other municipalities purchasing the same model. Therefore only the difference in the machines would be logistical and technical.

It should also be noted that the Zamboni machines have 3.0 litre, 4 cylinder engines that use significantly less fuel over the lifespan of the machines and minimize emissions in enclosed arenas when compared to the Olympias which have a 4.8 litre, 8 cylinder engine. This also saves maintenance and repair costs over the lifespan of the vehicle with fewer parts having to be replaced.

Transmission – ease of use for operator

A hydrostatic style transmission is hydraulically driven and the operator can infinitely vary the travel speed while maintaining a fixed engine speed along with other components such as the water pumps, hydraulic pumps and augers. With this design of propulsion, the auger speed is consistent, while still allowing the operator to slow the travel speed down to a crawl in the corners of the ice surface and increase the travel speeds while traveling the length of the ice surface.

With a constant auger RPM with varying machine speed the edges of the rink can be shaved down and the Ice Resurfacer can process the material with less jam ups. This is similar to a snow thrower's auger that maintains its RPM even in heavy snow so that it consistently throws the snow even if the machine is moving at a slower pace.

An automatic type transmission necessitates that the operator come to a complete stop before changing gears and move different levers and breaks, similar to a manual car. This need would add substantially to the time required to perform both routine ice maintenance and ice removal. The simplicity of the hydrostatic transmission is that all motor functions are controlled by the operator's right foot, similar to an automatic car. In the Zamboni model while operating at different speeds, the RPM of all associated equipment, augers, hydraulic and water pumps remain constant, no braking, stopping or shifting required. This also reduces the amount of parts that would be worn out through constant manual shifting and changing.

Transmission – efficiency in work

Programming often restricts the amount of time available for facility staff to perform ice maintenance, and the need to shift gears, while seemingly inconsequential, would play a detrimental role in the ability to meet timelines and maintain a consistently safe and operationally viable sheet of ice. Removing ice for the season is often a tedious and demanding process, which is often under tight timelines due to the scheduling of events. Using a machine with an automatic transmission would slow the ice removal process and make it more difficult to meet the timeframe.

Quality of ice

With an automatic transmission on an Ice Resurfacer, cutting the edges of the ice, where water builds up creating uneven surfaces and thicker ice is more difficult due to the fact that the geared components of the equipment slow down as the machine slows around a corner. The hydrostatic transmission maintains the RPM of the gears even when the Resurfacer slows down in the corners. This creates an even level throughout the entire surface area of the ice and minimizes the build-up of ice in the corners. Staff take drill samples and analyze the ice thickness in different areas of the skating surface on a weekly basis to ensure the best quality of product possible as this is an important safety consideration.

An overly thick layer of ice also leads to increased energy costs and poorer ice quality for user groups and takes more time to remove when required.

Familiarity/Training

Most current facility staff are unfamiliar with operation of any other type of Ice Resurfacing Units and would require extensive time and training to become competent on a different machine. Zamboni has been exclusively used in Newmarket for over 35 years. Mechanics would also require additional training and need to purchase specialized tools if a different type of machinery is procured. For a mechanic to become accustomed with a new piece of equipment such as an Ice Resurfacer, it typically takes a year before they are as efficient with the maintenance compared to equipment they are familiar with.

Replacements

Although there is a tentative schedule for replacing each piece of equipment and lce Resurfacer, it should be noted that they are always evaluated through maintenance records and visual inspections on an annual basis to determine if the machine life can be extended.

Older machines past their usable life are often traded back into the manufacturer for buy-back. The value of each machine is determined on a per vehicle basis depending on use, maintenance history and condition. Due to the close working relationship with Zamboni that Fleet Services has developed, Public Works Services is able to receive a favorable trade-in value with Zamboni over the past number of years. It is usually in the \$15,000 range. This value is not included in the prices above as it varies from machine to machine.

Procurement Services did publicly advertise a bid for one (1) Ice Resurfacer in 2004, which the Town did receive proposals from both, Zamboni and Resurface (Olympia) and the highest rated Proponent was Zamboni for this bid call. In 2005, Procurement Services did advertise a public bid this time for a <u>multi-year contract</u> (three (3) years with two (2) option years) for Ice Resurfacers, however the Town only received one proposal from Zamboni Company Ltd. The Manager, Procurement Services has compared the proposed costs with other municipalities and the costs are in line with that paid by other municipalities.

This recommendation is being classified as a Single Source purchase.

Single Source Purchase rationale:

This purchase would be in accordance with Procurement Bylaw 2011-78, 12.6, items I and iii which states, a Single Source purchasing may be conducted for the procurement for goods, service(s) or construction of any contract value without the competitive Bid process, when any of the following circumstances apply:

- i. For reasons of standardization, warranty, function or service, such as: technical qualifications;
- ii. Where compatibility with an existing product, equipment, facility or service is a paramount consideration;

CONSULTATION

Other municipalities and their operators were contacted to discuss the use of different types of Ice Resurfacers. The Manager of Facilities, Supervisor of Fleet and Manager, Procurement Services has been consulted and support the recommendation.

BUDGET IMPACT (CURRENT AND FUTURE)

The 2014 Ice Resurfacer is an approved capital budgeted for 2013. All future purchases under this contract are subject to budget approval.

CONTACT

For more information on this report, contact: Gord Sears, Manager, Procurement Services at ext. 2351.

Gór∜ Sears, CPPB, CPPO Manager, Procurement Services

Anita Moore Commissioner, Corporate Services

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Return the signed report to the Procurement Services Department for filing under the public drive for reports.