



City of  
**Peterborough**

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**To:** Members of the Committee of the Whole

**From:** Sandra Clancy, Director of Corporate Services

**Meeting Date:** May 8, 2017

**Subject:** Report CPPS17-016  
Award of Cooperative Purchasing Contract for the Design,  
Installation and Contract Administration to Replace Existing  
Interior Lighting with LED Fixtures at the Peterborough Sport  
& Wellness Centre and the Peterborough Memorial Centre

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## **Purpose**

A report to award the Cooperative Purchasing Contract for the Design, Installation, and Contract Administration to Replace Existing Interior Lighting with LED Fixtures at the Peterborough Sport & Wellness Centre and the Peterborough Memorial Centre.

## **Recommendation**

That Council approve the recommendation outlined in Report CPPS17-016, dated May 8, 2017 of the Director of Corporate Services as follows:

That the City enter into a formal agreement with Conrad Lighting Solutions Inc., 6 Hanna Road, Toronto, Ontario, M4G 4G5, for the design, installation, and contract administration to replace existing interior lighting with LED fixtures at the Peterborough Sport & Wellness Centre and the Peterborough Memorial Centre at a cost of \$398,781 plus HST of \$51,841.53 for a total cost of \$450,622.53.

## **Budget and Financial Implications**

The total \$199,662 net of the HST 100% Input Tax Credit (ITC) for the Peterborough Sport & Wellness Centre work, can be accommodated within the unused portion of the revised \$210,000 set aside in the 2017 Capital Budget Project 3-1.02 (Corporate Services – Property - Community Services – PSWC Replace Interior Lighting).

The total \$199,119 net of the HST 100% Input Tax Credit (ITC) for the Peterborough Memorial Centre work, can be accommodated within the unused portion of the revised \$210,000 set aside in the 2017 Capital Budget Project PMC LED Lighting Replacement created by Council through Report CPPS17-011 on March 6, 2017.

#### **Chart 1**

#### **Detailed Costs of Proposed Lighting Replacement work at the Peterborough Memorial Centre and Peterborough Sport & Wellness Centre**

<b>Description of Work</b>	<b>Budget</b>
Peterborough Memorial Centre Ice Pad Lighting Replacement	\$140,789
Peterborough Memorial Centre Stair Aisle Lighting Installation	\$58,330
Peterborough Memorial Centre Contingency	\$10,881
Peterborough Sport & Wellness Centre Lighting Replacement	\$199,662
Contingency	\$10,338
<b>Total Proposed Work for 2017</b>	<b>\$420,000</b>

## **Background**

Council approved Report CPPS17-011 on March 6, 2017 for the creation of the 2017 capital project for the Peterborough Memorial Centre LED Lighting Replacement in the amount of \$190,000. A further budget transfer of \$20,000 was approved by the Director of Corporate Services to cover the actual costs of the Stair Aisle Lighting Installation for a total of \$210,000.

The conversion of HPS and fluorescent light fixtures to LED technology has become commonplace over the last number of years and it is now appropriate that the City of Peterborough undertake the conversion of these lighting systems. The LED conversion will not only significantly reduce the annual energy consumption by an estimated 150,000 kWh with estimated cost savings of \$37,365, but the annual maintenance costs will also be reduced by \$7,825. The City has also secured an Independent Electricity System Operator incentive/rebate in the amount of \$19,770 through the Save on Energy program.

### **Cooperative Purchasing of Design and Contract Administration Work**

Local Authority Services (LAS) are a wholly owned not-for-profit subsidiary company of the Association of Municipalities of Ontario (AMO). LAS helps the broader public sector “realize lower costs, higher revenues, and enhanced staff capacity, through co-operative procurement efforts and innovative training, programs, and services”.

LAS undertook a competitive Request for Proposals (RFP) process to identify the best value and the highest quality products along with the expert services required to successfully implement the LED lighting upgrades within recreation facilities and other buildings.

This unique partnership allows Ontario municipalities to take advantage of the LAS procurement process as their own to save time and money. The LAS process resulted in a partnership with the service provider - Conrad Lighting Solutions, an experienced lighting services company with extensive knowledge in the lighting industry and a fixture supplier - Acuity Brands Canada, a leading supplier of lighting solutions in North America.

### **LAS Recreation Facility Lighting Program**

The Recreation Facility LED Lighting Service is a complete turn-key solution that targets high-bay lighting with LEDs and advanced control systems in arenas, recreation facilities, transit and public works garages, fire halls, water/waste water treatment facilities, or wherever there are high ceilings. These projects benefit from utility incentives, dramatically improved light quality and levels, plus very aggressive rates of return; all while achieving optimal energy and maintenance savings.

High bay LED luminaire costs have stabilized and provide an excellent payback when compared to most incumbent technologies. Factor in the cost of maintaining an old and expensive lighting system versus the immediate savings which LED lighting can provide and it is clear that it pays to install LED lighting as soon as possible.

### **Program Benefits**

LAS are known for high value programs and services which save municipality's time and money. Together with Conrad Lighting Solutions and Acuity Brands Canada, LAS offers a complete turn-key lighting upgrade service that combines top quality product, extended warranties, robust photometric design, full installation management, and commissioning services.

Other benefits of this program include:

- High quality, long life fixtures;
- Reduced maintenance costs and downtime;
- Optimized energy efficiency;
- Increased controllability through wired or wireless dimming, instant on features;
- Designed to meet or exceed recognized lighting standards based on your facility's activities;
- Improved light quality for your customers, both inside and outside your buildings;
- Market leading pricing on Acuity medium- and high-bay fixtures, and
- An environmentally positive municipal conservation measure that is highly visible to the public.

LAS staff are available to support municipalities to make sure they are satisfied with the entire service by:

- Acting as a conduit between the service provider, suppliers, and staff to ensure smooth roll-out of the project;
- Providing marketing and Council/Committee support during the approvals process;
- Assisting municipalities to maximize any available incentives, and
- Continually monitoring the marketplace to ensure municipalities are receiving the high value products and services they have come to expect from LAS.

### **Compliance with City Purchasing Policies**

Section 14.3 of the City Purchasing By-law 14-127, provides for the City to participate with other government agencies in co-operative purchases when it is in the best interest of the City to do so as determined by the Director of Corporate Services.

Under the by-law, each participating agency is responsible for obtaining appropriate purchase approvals, preparing and executing appropriate purchase agreements, and ordering, receiving, inspecting and paying for goods and/or services it uses.

The Director of Corporate Services has reviewed this procurement approach and has confirmed that it is in the City's interest to participate in the LAS Recreation Facility LED Lighting Program and that the program is consistent with the City's approved purchasing policy.

The City has an existing working relationship with LAS on Electricity Price Hedging (Report CPFS11-047) that has been successful for years and recently with the proposed Street Lighting Replacement through Report USEC17-008 approved by Council on April 24, 2017.

### **Delegated Authority to Approve Budget Transfers**

Part 10, Section 10.1.1 of the Purchasing By-law 14-127 delegates authority to the Chief Administrative Officer or the Director of Corporate Services to transfer approved budgets, including any uncommitted General Contingency, or the Capital Levy Reserve where the net required transfer is equal to or less than \$50,000. All such transfers will be reported in the Quarterly Financial Report. The Director of Corporate Services has approved a budget transfer of \$20,000 from the 2017 Capital Budget Project 3-1.02 (Corporate Services – Property - Community Services – Kinsmen Arena – Refrigeration Room Equipment Upgrades) for this project.

## Summary

Cooperative purchasing is in accordance with the City's Purchasing By-law 14-127 and requires Council approval for this project. To complete this process through the Conrad Lighting Solutions/LAS partnership, the City will realize energy cost reductions quickly and provide improved lighting for the public at both facilities. LED technology is the next generation movement for lighting that the City has tested in various facilities including the City Hall Council Chambers.

Submitted by

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