

CORPORATION OF THE TOWN OF HAWKESBURY

TO: Municipal Council (meeting of June 24, 2019 regular meeting)

FROM: Guillaume Boudrias, Project Manager, Civil Engineering

DATE : Friday, May 31, 2019

SUBJECT : Report re : Delegation of financial authority
By-law n° 28-2019

Mayor, Councillors;

INTRODUCTION

During the May 13 meeting, recommendation n° 2019_REC_36 and by-law n° 28-2019 were adopted. These documents delegate to the Chief Administrative Officer the authority to award the following contracts, according to the policy of procurement of goods and / or services:

- | | |
|--|----------------|
| 1. Cameron Street Reconstruction Project | 2,756,936.00\$ |
| 2. Clément Street Retaining Wall Project | 300,000.00\$ |

In return, a report, describing the exercise and compliance of contracts awarded by the Chief Administrative Officer, is required.

REPORT

Below is a description of the events for each of the aforementioned projects:

1. CAMERON STREET RECONSTRUCTION PROJECT

We conducted a call for tenders for the Cameron Street Reconstruction Project in accordance with the Procurement of Goods and / or Services Policy, n° SF-P-2008-01. The bidding period began on April 1, 2019 and ended on May 2, 2019. On the same day, we opened the bids. Two bids were received, namely:

- | | |
|---|-----------------|
| 1. Hawkesbury Transport & Excavation Inc. | 1,853,421.00 \$ |
| 2. STP Excavation and Construction Inc. | 2,548,548.90 \$ |

Bid evaluation

The bid review and selection process is as follows:

1. Review and confirmation of the compliance of the submitted documents;
2. Evaluation of financial proposals;
3. Confirmation of the skills of the lowest bidder; and,
4. Lowest compliant bidder recommendation.

1. Review and confirmation of the compliance of the submitted documents

All documents submitted by both bidders are fully compliant with the criteria set out in the tender documents.

2. Evaluation of financial proposals

An extension error was discovered during the review of the form submitted by Hawkesbury Transport & Excavation Inc. This means that the initial financial proposal from Hawkesbury Transport & Excavation Inc. goes from \$ 1,838,781.00 to \$ 1,853,421.00.

Nevertheless, this has no impact on the result and therefore it remains the lowest bidder.

Documents provided by STP Excavation and Construction Inc. are consistent and free from error.

3. Confirmation of the skills of the lowest bidder

It is confirmed that Hawkesbury Transport & Excavation Inc. has the necessary skills to perform the requested work.

4. Lowest compliant bidder recommendation

The Town and consultant McIntosh Perry recommend that the contract be awarded to the lowest compliant bidder, Hawkesbury Transport & Excavation Inc.

Awarding a contract valued at more than \$ 100,000

The Procurement Policy, Clause 8.4, states that in order to approve a contract valued at more than \$ 100,000, the following clauses must be complied with:

1. The value of the adjudication is equal to or is less than \$ 1 million;
2. The adjudication is within the budgetary amount;

3. The lowest bidder has been selected;
4. The adjudication does not correspond to an irregular result.

1. The value of the adjudication is equal to or is less than \$ 1 million

The value of the construction contract to be awarded is greater than the maximum value of \$ 1 million. Therefore, the Town Council must approve the award of the contract.

2. The adjudication is within the budgetary amount

As a result of Council Recommendation n° 2019_REC_24, dated May 25, 2019, the total budget allocated to the Cameron Street Reconstruction Project is in the order of \$ 2,756,936. Taking into account the other tasks related to the project, the amounts committed are distributed as follows:

Tasks	Committed budget
Engineering	\$ 215,285.00
Construction	\$ 1,853,421.00
CSO	\$ 100,000.00
Traffic lights*	\$ 150,000.00
Contingency	\$ 265,000.00
Subtotal	\$ 2,583,706.00
HST	\$ 335,881.78
Tax rebate	\$ 290,408.43
Total	\$ 2,629,179.35

Therefore, the adjudication is within the budgetary amount.

3. The lowest bidder has been selected

The lowest bidder has been selected.

4. The adjudication does not correspond to an irregular result

Clause 1.22 (g) states that if fewer than three valid offers have been received, the result of the call for tenders shall be considered irregular. Therefore, since two bids and not three have been received, the result is considered irregular.

However, since Regulation n° 28-2019 stipulates in point 3 that the Council accepts the irregular result, it is of no consequence and is therefore considered to be in conformity.

Conclusion

The Cameron Street Retaining Wall Reconstruction contract was awarded to the lowest bidder, Hawkesbury Transport & Excavation Inc. for the amount of \$ 1,836,421.00 excluding HST. This is further supported by McIntosh Perry's recommendation.

2. CLEMENT STREET RETAINING WALL

We proceeded with a call for tenders for the reconstruction of the Clement Street retaining wall in accordance with the Policy on Procurement of Goods and / or Services n° SF-P-2008-01. The bidding period began on May 1, 2019 and ended on May 16, 2019. On the same day, we opened the bids. Four bids were received, namely:

1. Hawkesbury Transport & Excavation Inc.	\$ 206,810.00
2. STP Excavation and Construction Inc.	\$ 229,976.00
3. 1351150 Ontario Inc. (Arnco)	\$ 252,680.00
4. CSL Group Ltd.	\$ 292 855.50

Bid evaluation

The bid review and selection process is as follows:

1. Review and confirmation of the conformity of the submitted documents;
2. Evaluation of financial proposals;
3. Confirmation of the skills of the lowest bidder; and,
4. Lowest compliant bidder recommendation.

1. Review and confirmation of the conformity of the submitted documents

All documents submitted by the four bidders comply in every aspect with the criteria set out in the tender documents.

2. Evaluation of financial proposals

Hawkesbury Transport & Excavation Inc. did not submit a unit price and total for item n° 24 - concrete curb, and therefore according to clause 1.10, 3rd paragraph, it is assumed that the contractor has allocated the cost of this item elsewhere. Furthermore, item n° 25 and 26 have also been identified as having mathematical errors. Therefore, the financial proposal of Hawkesbury Transport & Excavation Inc. goes from \$ 206,810.00 to \$197,431.63.

Nevertheless, this has no impact on the result and therefore it remains the lowest bidder.

The documents provided by the other three bidders are compliant and free from error.

3. Confirmation of the skills of the lowest bidder

It is confirmed that Hawkesbury Transport & Excavation Inc. has the necessary skills to perform the requested work.

4. Lowest compliant bidder recommendation

The Town recommends awarding the contract to the lowest compliant bidder, Hawkesbury Transport & Excavation Inc.

Awarding a contract valued at more than \$ 100,000

The Procurement Policy, clause 8.4, states that in order to approve a contract valued at more than \$ 100,000, the following clauses must be met:

1. The value of the adjudication is equal to or less than \$ 1 million;
2. The adjudication is within the budgetary amount;
3. The lowest bidder has been selected; and,
4. The adjudication does not correspond to an irregular result.

1. The value of the adjudication is equal to or less than \$ 1 million

The value of the construction contract is less than the limit prescribed by the clause.

2. The adjudication is within the budgetary amount

The budget allocated to the Clement Street Retaining Wall Reconstruction Project is \$ 300,000. Taking into account the other tasks related to the project, the amounts committed are distributed as follows:

Tasks	Committed budget
Engineering	\$ 51,235.03
Construction	\$ 197,431.63
Contingency	\$ 24,866.67
Subtotal	\$ 273,533.33
HST	\$ 35,559.33
Tax rebate	\$ 30,745.13
Total	\$ 278,347.53

Therefore, the adjudication is within the budgetary amount.

3. The lowest bidder has been selected

The lowest bidder has been selected.

4. The adjudication does not correspond to an irregular result

The result is not irregular.

Conclusion

The Clement Street Retaining Wall Reconstruction contract was awarded to the lowest compliant bidder, Hawkesbury Transport & Excavation Inc. for \$197,431.63 excluding HST.