



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer/Treasurer

Date: February 11, 2019

Report No: CORS-008-19

Subject: Purchasing Various - February

Recommendation: **THAT Council approve the budget amendments and related funding sources as outlined on Schedule A;**

AND THAT staff be authorized to proceed with the procurement of one (1) Replacement Tanker Truck (capital project C700101) that is currently budgeted in the 2020 Capital Forecast;

AND THAT Council approve the proposal award to Metz Fire & Rescue for three (3) Fire Tanker Trucks in the total amount of \$1,758,749 (exclusive of HST) as outlined on Schedule B;

AND THAT Council approve the contract increase to WSP Canada for additional design services for Bronte Street (Main St. to Steeles Ave.) in the total amount of \$146,230 (exclusive of HST) as outlined on Schedule C;

AND THAT the Manager, Purchasing and Risk Management be authorized to execute the contract(s), as outlined by the purchasing by-law, and the Mayor and the Town Clerk be authorized to sign any other required paperwork.

EXECUTIVE SUMMARY

This report is being submitted to have Council's authorization on the various items on the attached Schedules. Requests are being made as per the guidelines outlined in the Purchasing By-law No. 061-2018 and the Budget Management Policy (Policy No.113).



The Corporation of the Town of Milton

REPORT

Background

Procurement of goods and services is governed by By-law No. 061-2018. Purchasing activity is undertaken in a manner that is intended to support the Town's mandate to provide effective, responsible government and efficiently deliver services to the residents of Milton.

Discussion

Information pertaining to the recommended purchasing awards is included on the corresponding Schedules (A to C) attached.

This report includes a recommendation that would allow for the procurement of a fire tanker truck that is currently forecasted in the 2020 Capital Budget. Procurement is recommended at this time by Fire Services staff to allow for sufficient lead time prior to the delivery of the truck to the Town. Fire Services staff note that there are escalating maintenance costs associated with the existing unit, and the service will achieve savings and efficiencies through securing 3 units of the same design and configuration. Similar to other pre-approved fleet & equipment projects, funding for this unit will be deemed a priority item in the 2020 budget process.

Financial Impact

Financial impacts are outlined in detail on the attached Schedules B and C. The resulting funding adjustments are presented on Schedule A, and result in a net overall increase in approved capital budgets of \$343,196.

As noted above, procurement of a third replacement fire tanker truck will also require pre-approval of the procurement in advance of the funding approval for the unit through the 2020 budget process.

Respectfully submitted,

Troy McHarg
Interim Commissioner, Corporate Services

For questions, please contact: Debbie Cochrane, CPPB 905-878-7252, x2143
For questions, please contact: Nisha Vashisht, CPA, CMA 905-878-7252, x2472



The Corporation of the Town of Milton

Attachments
Schedule A - Summary of Changes in Project Budgets and Funding
Schedule B – Proposal Award No. 18-583 Fire Tanker Trucks
Schedule C – Contract Increase to WSP Canada for Bronte Street (Main St. to Steeles Ave.) Design

CAO Approval
William Mann, MCIP, RPP, OALA, CSLA, MCIF, RPF
Chief Administrative Officer

Summary of Changes in Capital Project Budgets and Funding

Schedule	B	C	Total Change in Funding Sources Increase / (Decrease)
Project Number	C70010118	C33010812	
Project Description	Replacement two (2) tanker trucks	Bronte Street (Main to steeles)-Design	
Total Approved Project Budget	\$ 1,026,313	\$ 891,227	
Project Variance Account	194,392	32,737	227,129
Development Charges:			
Roads DC		116,067	116,067
Total Increase/(Decrease) in Funding	194,392	148,804	\$ 343,196
Total Revised Project Budget	\$ 1,220,705	\$ 1,040,031	

COUNCIL AUTHORITY FOR CONTRACT AWARDS

Project Award	Proposal Award No. 18-583 Fire Tanker Trucks
Recommendation	Staff is recommending the proposal award for three (3) Fire Tanker Trucks to Metz Fire & Rescue, the highest scoring Proponent, in the total amount of \$1,758,749 (exclusive of HST).
Purpose of Report	As per Section 6.3 of Purchasing By-law No. 061-2018, Council approval is required for proposal awards over \$100,000.
Background information	<p>A Request for Proposal was issued for the supply and delivery of two (2) heavy duty, stainless steel tanker trucks for Milton Fire Department for replacement of units originally purchased in 2002 which have reached the end of their life cycle.</p> <p>Following the RFP evaluation, staff negotiated the cost for a third unit to be included in the award for a 2020 replacement unit due to the long lead time required for this type of equipment. This third unit will replace a tanker truck that was purchased in 2004 and Fire Services staff noted that there are escalating maintenance costs associated with the existing unit, necessitating the need for replacement. Including an additional unit in the award results in efficiencies due to consistency in the design and configuration of the units, as well as a negotiated discounted unit price.</p> <p>Through this report staff are therefore requesting authorization to proceed with the procurement related to the third unit that is included in the 2020 Capital Forecast in order to accommodate the lengthy lead time required. Should Council approve this recommendation, budget approval for the related funding will occur in 2020, similar to the Town's existing process for other pre-approved equipment acquisitions.</p>
Purchasing Section: Bid Award Information	
Date bid issued	November 19, 2018
Advertisements	Town of Milton website
Closing Date	December 14, 2018
# of Plan takers	Five (5)
Proposal Submissions received	<p>Proposals were received from the following companies:</p> <ul style="list-style-type: none"> • Darch Fire • Resqtech Systems Inc. • Metz Fire & Rescue • Commercial Emergency Equipment
Evaluation Criteria	<p>The proposals and interviews were evaluated based on the following criteria:</p> <p>Financial (30) Specifications/Drawings (30) Safety Features (5) Warranty (10)</p>

	<p>Company Information & Service Ability Requirements (10) Delivery time (10) Value Added Opportunities (5)</p> <p>An evaluation team with representation from Fire Services evaluated the proposals against the established criteria, which resulted in Metz Fire & Rescue as the highest scoring proponent.</p>
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Financial Planning Section: Capital Budget Impact (Note 1)

Account Number(s)	C70010118-A0410-7110
Account Description	Replacement of Two (2) Tanker Trucks
Project Total Budget	\$1,026,313
Contract Budget	\$998,744
Actual (Net of HST Rebate)	\$1,193,136
Variance	\$194,392 (U)
Funding Source	Project Variance Account

Financial Planning Section: Capital Forecast Impact (Note 1, 2)

Account Number(s)	C700101
Account Description	Replacement of One (1) Tanker Truck
Project Total Forecast	\$595,125
Contract Forecast	\$570,041
Actual (Net of HST Rebate)	\$596,568
Variance	\$26,527 (U)

Note 1: Financial impact includes any non-refundable portion of HST.

Note 2: The expenditures and funding for this capital project are included in the Town's 2020 Capital Forecast and will be adjusted in accordance with the pricing identified through this award in the development of the 2020 Capital Budget.

COUNCIL AUTHORITY FOR CONTRACT AWARDS

Project Award	Contract Increase to WSP Canada for Bronte Street (Main St. to Steeles Ave.) Design
Recommendation	Staff is recommending the contract increase to WSP Canada for additional design services for Bronte Street (Main St. to Steeles Ave.) in the total amount of \$146,230 (exclusive of HST).
Purpose of Report	As per Section 7.1.2 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>The current contract awarded to WSP Canada for design of Bronte Street (Main St. to Steeles Ave.) is \$751,463 (exclusive of HST). (Original award of \$530,660 plus \$220,803 change orders to-date).</p> <p>This contract increase of \$146,230 (exclusive of HST) for additional design fees to address the following:</p> <ul style="list-style-type: none"> • Additional work required to prepare an additional tender package for advance works on Bronte Street (Phase 1) • Additional MOE submission and permitting for Bronte Street (Phase 1) • Additional coordination with Milton Hydro regarding the partial burying of Hydro along the project limits. • Additional survey reference for 24 Bronte Street related to Milton Hydro switch gear requirements for burying of Hydro • Stage 2 Archaeological Assessment within Bronte Street R.O.W. and Stage 3 Cemetery Investigation at Bronte Pioneer Cemetery • Stage 3 Archaeological Assessment within Bronte Street R.O.W. at Bronte Pioneer Cemetery • Phase 1 and Phase 2 Environmental Site Assessments for 96 Bronte Street <p>The work and associated costs have been reviewed by Engineering staff and are therefore being recommended at this time.</p>
Financial Planning Section: Budget Impact (Note 1)	
Account Number(s)	C33010812-A0611-7220
Account Description	Bronte Street (Main to Steeles)-Design
Project Total Budget	\$891,227
Contract Budget	\$0
Actual (Net of HST Rebate)	\$148,804
Variance	\$148,804 (U)
Funding Source	Development Charges, Project Variance Account

Note 1: Financial impact includes any non-refundable portion of HST.