



# The Corporation of the Town of Milton

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Report To: Council

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From: Glen Cowan, Chief Financial Officer/Treasurer

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Date: May 6, 2019

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Report No: CORS-024-19

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Subject: Purchasing Various – May 6th

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

**AND THAT Council approve the tender award for the Ford Neighbourhood Park Construction to Melfer Construction Inc. in the total amount of \$1,491,804 (exclusive of HST) as outlined on Schedule B;**

**AND THAT Council approve the contract increase to Wood Environment & Infrastructure Solutions for consulting services for the Appleby Line reconstruction project, in the total amount of \$49,100 (exclusive of taxes), as outlined in Schedule C;**

**AND THAT Council approve the contract increase to Hatch Corporation for consulting services for the 2018 expanded asphalt program, in the total amount of \$23,802 (exclusive of taxes), as outlined in Schedule D;**

**AND THAT Council approve the contract increase to Chisholm Fleming & Associate for consulting services for the Garden Lane project in the total amount of \$3,970 (exclusive of HST), as outlined on Schedule E;**

**AND THAT Council approve the contract increases for the 2019 Passive Weed Control Program to Clintar Landscape Management for Areas 2, 3, 7 and 8 in the total amount of \$262,923 (exclusive of HST) and to ProMow Maintenance for Areas 1, 4, 5 and 6 in the total amount of \$95,328 (exclusive of HST) for additional grass cutting requirements, for the**



# The Corporation of the Town of Milton

**2019 Passive Weed Control 6–week Program, as outlined on Schedule F;**

**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).

## 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 F) attached.

### Financial Impact

Financial impacts are outlined in detail on the attached Schedules B to F. The resulting funding adjustments are presented on Schedule A, and result in a net overall increase in approved capital budgets of \$14,392.

Respectfully submitted,

Troy McHarg  
Interim Commissioner, Corporate Services

For questions, please contact: Leslie Williamson, SCMP 905-878-7252, x2138  
For questions, please contact: Deanne Peter 905-878-7252, x2316



# The Corporation of the Town of Milton

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## Attachments

Schedule A - Summary of Changes in Project Budgets and Funding

Schedule B – Tender Award No. 19-509 Ford Neighbourhood Park

Schedule C – Contract increase for the Appleby Line Reconstruction

Schedule D – Contract increase for the 2018 Expanded Asphalt Program

Schedule E – Contract increase for the Garden Lane reconstruction

Schedule F - Contract increase for the 2019 Passive Weed program

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	E	Total Change in Funding Sources Increase / (Decrease)
<b>Project Number</b>	<b>C52400219</b>	<b>C35000517</b>	<b>C33013516</b>	
<b>Project Description</b>	<b>Ford Neighbourhood Park</b>	<b>Appleby Line Reconstruction</b>	<b>Garden Lane Reconstruction</b>	
<b>Total Approved Project Budget</b>	<b>\$ 1,867,512</b>	<b>\$ 154,212</b>	<b>\$ 1,125,267</b>	
<b>Recommended Budget Change</b>				
Project Variance Account	(3,961)	44,968	4,040	45,047
<b>Development Charges:</b>				
Roads DC		4,996		4,996
Parks DC	(35,651)			(35,651)
<b>Total Increase/(Decrease) in Funding</b>	<b>(39,612)</b>	<b>49,964</b>	<b>4,040</b>	<b>\$ 14,392</b>
<b>Total Revised Project Budget</b>	<b>\$ 1,827,900</b>	<b>\$ 204,176</b>	<b>\$ 1,129,307</b>	

**COUNCIL AUTHORITY FOR CONTRACT AWARDS**

<b>Project Award</b>	Tender Award No. 19-509 Ford Neighbourhood Park								
<b>Recommendation</b>	Staff is recommending the tender award for the Ford Neighbourhood Park to Melfer Construction Inc., in the total amount of \$1,491,804 (exclusive of HST) being the lowest compliant bid received.								
<b>Purpose of Report</b>	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required for tender awards over \$1,000,000.								
<b>Background information</b>	The Ford Neighbourhood Park project includes the construction of a neighbourhood-level park. The project includes grading and drainage, lighting, electrical and mechanical systems, an asphalt parking lot, walkways, concrete works, a shade pavilion, playground and splash/spray pad, site furniture, signage, sodding, and naturalized tree and landscape planting.								
<b>Purchasing Section: Bid Award Information</b>									
<b>Date bid issued</b>	March 21, 2019								
<b>Advertisements</b>	Town of Milton website								
<b>Closing Date</b>	April 10, 2019								
<b># of Plan takers</b>	7 (pre-qualified)								
<b>List of bid submissions inclusive of HST</b>	<table border="0"> <tr> <td>Melfer Construction Inc.</td> <td>\$1,685,738.52</td> </tr> <tr> <td>Latitudes 67 Limited</td> <td>\$1,715,097.48</td> </tr> <tr> <td>Gateman-Milloy</td> <td>\$1,762,645.66</td> </tr> <tr> <td>Pine Valley Corporation</td> <td>\$1,880,919.05</td> </tr> </table>	Melfer Construction Inc.	\$1,685,738.52	Latitudes 67 Limited	\$1,715,097.48	Gateman-Milloy	\$1,762,645.66	Pine Valley Corporation	\$1,880,919.05
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Latitudes 67 Limited	\$1,715,097.48								
Gateman-Milloy	\$1,762,645.66								
Pine Valley Corporation	\$1,880,919.05								
<b>Median bid value</b>	The average bid received was \$1,761,100.18. The bid submitted by Melfer Construction Inc. is approximately 4% less than the average bid.								
<b>Financial Planning Section: Budget Impact</b> (Note 1)									
<b>Account Number(s)</b>	C52400219-A1610								
<b>Account Description</b>	Ford Neighbourhood Park- Boyne Construction								
<b>Project Total Budget</b>	\$1,867,512								
<b>Contract Budget</b>	\$1,557,672								
<b>Actual</b> (Net of HST Rebate)	\$1,518,060								
<b>Variance</b>	\$ 39,612 (F)								
<b>Funding Source</b>	Development Charges, Project Variance Account								

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

**COUNCIL AUTHORITY FOR CONTRACT AWARDS**

<b>Project Award</b>	Contract Increase for the Appleby Line Reconstruction
<b>Recommendation</b>	<b>Staff is recommending the contract increase be awarded to Wood Environment &amp; Infrastructure Solutions, in the total amount of \$49,100 (exclusive of HST).</b>
<b>Purpose of Report</b>	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
<b>Background information</b>	<p>The current contract awarded to Wood Environment &amp; Infrastructure Solutions for design of Appleby Line is \$137,498 (exclusive of HST). (Original award of \$125,000 plus \$12,498 in change orders to-date).</p> <p>This contract increase of \$49,100 (exclusive of HST) is for additional design fees to address the following:</p> <p>In accordance with Res. 108-19 of the March 25, 2019 Council meeting, staff was directed to investigate variations of option 4 referenced in staff report ENG-006-19 – Appleby Line design report for Phase 1 and Phase 2 Road Improvements. This option includes an additional topographical survey at the rock outcrop to enable accurate determination of the extent of the rock cut, and to develop additional layouts, modify horizontal alignments, update the road profile, generate cross sections and limits of grading - particularly at the rock cut, the identification of new retaining wall locations, property impacts and modifications to the proposed drainage facilities. The contract increase is required to further investigate this variation.</p> <p>The new contract total will be \$186,598 (exclusive of HST). The hourly rates were established through the RFP process and the hours identified and the staffing proposed have been reviewed and validated by Engineering Services – Infrastructure staff.</p>
<b>Financial Planning Section: Budget Impact</b> (Note 1)	
<b>Account Number(s)</b>	C35000517 - A0611 - 7220
<b>Account Description</b>	Appleby Line - Design
<b>Project Total Budget</b>	\$ 154,212
<b>Contract Budget</b>	\$ 0
<b>Actual</b> (Net of HST Rebate)	\$ 49,964
<b>Variance</b>	\$ 49,964 (U)
<b>Funding Source</b>	Development Charges, Project Variance Account

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

## COUNCIL AUTHORITY FOR CONTRACT AWARDS

<b>Project Award</b>	Contract Increase for the 2018 Expanded Asphalt Program
<b>Recommendation</b>	<b>Staff is recommending the contract increase be awarded to Hatch Corporation for the 2018 Expanded Asphalt project, in the total amount of \$23,802 (exclusive of HST).</b>
<b>Purpose of Report</b>	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
<b>Background information</b>	<p>The current contract awarded to Hatch Corporation for the design and contract administration for the 2018 Expanded Asphalt Program is \$119,936 (exclusive of HST).</p> <p>This contract increase of \$23,802 (exclusive of HST) is for additional contract administration and inspection fees that are the result of :</p> <ul style="list-style-type: none"> <li>• non-compliance asphalt test results that require referee testing; and</li> <li>• the completion of a hydraulic technical report of drainage routes on Henderson Road to confirm that the construction activities did not negatively impact the storm drainage.</li> </ul> <p>The new contract total will be \$143,738. The hourly rates were established through the RFP process and the hours identified and the staffing proposed have been reviewed and validated by Engineering Services – Infrastructure staff.</p>
<b>Financial Planning Section: Budget Impact</b> (Note 1)	
<b>Account Number(s)</b>	C35012818 - A0611 - 7210
<b>Account Description</b>	Expanded Asphalt Program
<b>Project Total Budget</b>	\$1,450,323
<b>Contract Budget</b>	\$0
<b>Actual</b> (Net of HST Rebate)	\$24,221
<b>Variance</b>	\$24,221 (U)
<b>Funding Source</b>	Contingency

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

## COUNCIL AUTHORITY FOR CONTRACT AWARDS

<b>Project Award</b>	Contract Increase for the Garden Lane Reconstruction
<b>Recommendation</b>	<b>Staff is recommending the contract increase be awarded to Chisholm Fleming &amp; Associates for Garden Lane project, in the total amount of \$3,970 (exclusive of HST).</b>
<b>Purpose of Report</b>	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
<b>Background information</b>	<p>The current contract awarded to Chisholm Fleming &amp; Associates for the design and contract administration of Garden Lane reconstruction is \$ 77,727 (exclusive of HST). (Original award of \$72,853 plus \$4,869 in change orders to date).</p> <p>This contract increase of \$3,970 (exclusive of HST) is for the end of warranty for this project which is May 12, 2019. A final inspection was conducted on March 28, 2019, and deficiencies were identified that will result in additional contract administration costs.</p> <p>The new contract value is \$81,697. The hourly rates were established through the RFP process and the hours identified and the staffing proposed have been reviewed and validated by Engineering Services – Infrastructure staff.</p>
<b>Financial Planning Section: Budget Impact</b> (Note 1)	
<b>Account Number(s)</b>	C33013516 - A0611 - 7210
<b>Account Description</b>	Garden Lane
<b>Project Total Budget</b>	\$1,125,267
<b>Contract Budget</b>	\$0
<b>Actual</b> (Net of HST Rebate)	\$4,040
<b>Variance</b>	\$4,040 (U)
<b>Funding Source</b>	Project Variance Account

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



## COUNCIL AUTHORITY FOR CONTRACT AWARDS

<b>Project Award</b>	Contract increases to Grass Cutting Services contracts for the 2019 Passive Weed Control Program (PWCP)
<b>Recommendation</b>	<b>Staff is recommending the contract increase to Clintar Landscape Management for Areas 2, 3, 7 and 8 in the total amount of \$262,923 (exclusive of HST) and the contract increase to ProMow Maintenance for Areas 1, 4, 5 and 6 in the total amount of \$95,328 (exclusive of HST) for additional grass cutting services for the 2019 Passive Weed Control 6-week Program.</b>
<b>Purpose of Report</b>	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
<b>Background information</b>	<p>The current contracts awarded to Clintar Landscaping Management for grass cutting in areas 2, 3, 7 and 8, is \$1,425,680 (exclusive of HST).</p> <p>The current contracts awarded to ProMow Maintenance for grass cutting in areas 1, 4, 5 and 6 is \$1,096,107 (exclusive of HST)</p> <p>The contract increases of a total of \$358,251 (exclusive of taxes) is for the contracts that are currently in place for the 2019 season for regular scheduled grass cutting services once per week for roadside locations in Areas 1 to 8 with Clintar Landscape Management and ProMow Maintenance. The 2019 Passive Weed Control Program (PWCP) requires additional cuts at these roadside locations and additional park locations for the 6-week intensified program for the estimated period May 15, 2019 to June 30, 2019.</p> <p>The PWCP includes two (2) extra cuts per week for roadside locations and two (2) cuts per week for park locations for the 6-week program. Staff is recommending, based on satisfactory performance and price negotiations, the current suppliers for grass cutting services within these areas perform the additional cuts necessary for the 6-week program.</p> <p>The new contract totals are: Clintar Landscaping Management \$1,688,603 (exclusive of HST) and ProMow Maintenance \$1,191,435 (exclusive of HST). The grass cutting rates were established through a tender process and the additional proposed rates have been reviewed and validated by Engineering Services – Operations staff.</p>

<b>Financial Planning Section: 2019 Budget Impact</b> (Note 1)		
<b>OPERATING</b>		
<b>Account Number(s)</b>	3200 / 3500 - 3740	3550-3740
<b>Account Description</b>	Passive Weed Cutting - Town	Passive Weed Cutting - Regional Roads
<b>Contract Budget</b>	\$267,577	\$45,500
<b>Actual</b>	\$333,040	\$31,516
<b>Variance</b> (Note 2)	\$ 65,463 (U)	\$ 13,984 (F)
<b>Funding Source</b>	Operating Budget	Regional Recoveries (Note 3)

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

Note 2: The variance relates to the grass cutting portion of the PWCP program only. The overall variance on the PWCP program will be impacted by the award of the application contract, costs of materials and supplies and weather for the 6 week period. The total cost of the program will be monitored against approved budgets and any variances will be reported through the Variance process.

Note 3: The cost of contracts for Regional Roads will be recovered from the Region of Halton.