



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer/Treasurer

Date: February 10, 2020

Report No: CORS-003-20

Subject: Purchasing Various - February

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

AND THAT Council approve the joint procurement for award of the 12 metre conventional transit bus contract to Nova Bus for the supply and delivery of one (1) low-floor, conventional transit bus in the total amount of \$601,553 (exclusive of HST) as outlined on Schedule B;

AND THAT Council approve the joint procurement for award of the 8 metre cut-away transit bus contract to Creative Carriage for the supply and delivery of two (2) cut-away buses in the total amount of \$378,610 (exclusive of HST) as outlined on Schedule B;

AND THAT Council approve the joint procurement for award of the 6 metre specialized transit mini buses contract to Creative Carriage for the supply and delivery of two (2) specialized mini buses in the total amount of \$266,373 (exclusive of HST) as outlined on Schedule B;

AND THAT the contract increase by delegated authority to Pencon Construction Canada Corp. for additional repair/rebuild work within the annual sidewalk repair program in the total amount of \$79,963 (exclusive of HST) as outlined on Schedule C be received for information;

AND THAT the contract increase to Milton Hydro Distribution Inc. for additional work required for the installation and



The Corporation of the Town of Milton

Report #:
CORS-003-20
Page 2 of 4

maintenance of the chillers at the Milton Sports Centre in the total amount of \$126,619 (exclusive of HST) as outlined on Schedule D be received for information;

AND THAT Council approve the single source award to Automated Logic for the Milton Sports Centre Building Automation System (BAS) Preventative Maintenance for a three (3) year period in the total amount of \$35,194 (exclusive of HST) as outlined in Schedule E;

AND THAT the emergency repairs at Fire Station No. 1 to DeFaveri Group Contracting Inc. in the total amount of \$8,069 (exclusive of HST) as outlined on Schedule F be received for information;

AND THAT Council approve an increase from 10% to 12% in the contract contingency authority as described in section 9.1 of the Purchasing Bylaw for the contract with Defaveri Group Contracting for Fire Station No. 1 as outlined in 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), save and except the award outlined on Schedule D.

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.



The Corporation of the Town of Milton

Report #:
CORS-003-20
Page 3 of 4

Discussion

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

This report includes the award of the following transit replacement vehicles through the Metrolinx Transit Procurement Initiative:

- One 12 metre conventional transit bus
- Two 8 metre cut-away transit buses
- Two 6 metre specialized transit mini buses

These awards are being made through the updated multi-year governance agreement that Council approved for a five-year term through CORS-076-19.

An increase in the contingency for Fire Station No.1 is being requested through this report. The project has reached substantial completion and no further significant costs are anticipated. As the project has utilized the previously approved contingency amount, an increase is being recommended to ensure efficient finalization should any minor costs be required.

Financial Impact

Financial impacts are outlined in detail on the attached Schedules B through F. The resulting funding adjustments are presented on Schedule A, and result in a net overall increase in approved capital budgets of \$11,230.

Respectfully submitted,

Troy McHarg
Commissioner, Corporate Services / Town Clerk

For questions, please contact: Michelle Rasiulis, CSCMP, CPPB 905-878-7252, x2143
For questions, please contact: Deanne Peter, B.Comm., MBA 905-878-7252, x2316

Attachments

Schedule A - Summary of Changes in Project Budgets and Funding

Schedule B - Joint Procurement Award of Various Transit Buses

Schedule C - Contract Increase Pencon Construction Canada Corp.



The Corporation of the Town of Milton

Report #:
CORS-003-20
Page 4 of 4

Schedule D - Contract increase to Milton Hydro Distribution Inc.

Schedule E - Single source award to Automated Logic

Schedule F - Emergency Award for Emergency Repairs at Fire Station No. 1

CAO Approval
Andrew M. Siltala
Chief Administrative Officer

Summary of Changes in Capital Project Budgets and Funding

Schedule	B	B	Total Change in Funding Sources Increase / (Decrease)
Project Number	C56012020	C56012220	
Project Description	Transit Bus Non Growth: Replacement	Specialized Transit bus Non Growth	
Total Approved Project Budget	\$ 1,178,681	\$ 342,236	
Recommended Budget Change			
Project Variance Account	10,316	914	11,230
Total Increase/(Decrease) in Funding	10,316	914	\$ 11,230
Total Revised Project Budget	\$ 1,188,997	\$ 343,150	

Note 1: In addition to the above, the contract increase to Milton Hydro was made under staff delegated authority and is currently being reported back to Council through Schedule D of this report. The unfavourable variance of \$5,860 was funded from the Project Variance Account.

COUNCIL AUTHORITY FOR CONTRACT AWARDS

Project Award	Delegated Authority – Metrolinx Transit Procurement Initiative (TPI) for the purchase of conventional and specialized transit buses.
Recommendation	<p>Staff is recommending the 12 metre conventional transit bus contract be awarded to Nova Bus, for the supply and delivery of one (1) 12 metre conventional transit bus in the total amount of \$601,553 (exclusive of HST).</p> <p>Staff is recommending the 8 metre and 6 metre specialized transit bus contract be awarded to Creative Carriage, for the supply and delivery of two (2) 8 metre cut-away buses in the total amount of \$378,610 (exclusive of HST) and two (2) 6 metre specialized mini buses in the total amount of \$266,373 (exclusive of HST).</p>
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>In 2019, Council approved the continued participation in the Metrolinx Transit Procurement Initiative (TPI), with the execution of a Multi-Year Governance Agreement for the next 5-year term (2019-2024) on Report CORS-076-19. The intent of the Metrolinx TPI is to collaborate with participating municipalities to solicit and obtain quality goods and services, favourable pricing, timely delivery, ongoing customer support and contract administration/management through a transparent joint procurement process. TPI coordinates the development of performance-based specifications for bulk purchasing, while permitting customized specifications for unique municipal needs. Milton has participated in numerous joint procurement initiatives over the past several years for both conventional and specialized transit buses.</p> <p>Metrolinx released three (3) Request for Proposals (RFPs) for the purchase of accessible transit buses, including:</p> <ul style="list-style-type: none"> • 12 metre transit buses • 8 metre transit buses • 6 metre specialized mini buses <p>The project steering committee for all RFPs consisted of staff from a number of participating transit agencies, including Town staff. Upon completion of the procurement and steering committee approval process, contracts were awarded to Nova Bus – for the delivery of 12 metre conventional buses, and Creative Carriage – for the delivery of 8 metre and 6 metre specialized buses.</p> <p>The 2020 Capital Budget includes transit bus purchases to support end-of-life vehicle replacement schedules to maintain</p>

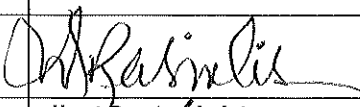



CORS-003-20 - Schedule B

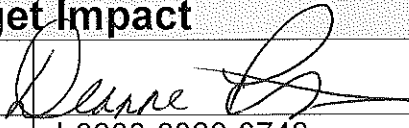
	<p>service reliability and accessibility on conventional and specialized transit applications. Vehicle condition assessments for replacement units were based on Altoona-tested industry reporting for structural integrity, where applicable. Through these awards, the Town is to procure:</p> <ul style="list-style-type: none"> • one (1) 12 metre conventional transit bus from Nova Bus at a cost of \$601,553 • two (2) 8 metre, cut-away buses from Creative Carriage at a cost of \$189,305 per unit, and • two (2) 6 metre, Dodge ProMaster specialized mini buses from Creative Carriage at a cost of \$133,186 per unit <p>All prices are exclusive of HST and associated vehicle equipment.</p>
--	---

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C56012020-A0631-7110	C56012220-A0632-7110
Account Description	Transit Bus Non Growth: Replacement (one 12 metre; two 8 metre)	Specialized Transit Bus Non Growth (two 6 metre)
Project Total Budget	\$1,178,681	\$342,236
Contract Budget	\$987,098	\$270,146
Actual (Net of HST Rebate)	\$997,414	\$271,060
Variance	\$10,316 (U)	\$914 (U)
Funding Source	Project Variance Account	Project Variance Account

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

DELEGATED AUTHORITY FOR CONTRACT INCREASE		
Report Number	PDA-001-20	
Contract Number and Description	Contract Increase Annual Sidewalk Repair Program – Request for Tender 17-076	
Report Date	January 8, 2020	
Prepared by	Michelle Rasiulis	
Project Lead	Mike Dunstall	
Purchasing		Date: Jan 10/20
Director, Operations, Engineering Services	Jim Cartwright 	Date: Jan 9/2020
Chief Financial Officer & Treasurer	Glen Cowan 	Date: Jan 10/20
Chief Administrative Officer	Andrew Siltala 	Date: 1/13/2020
Purchasing Section:		
RFT Award No.	17-076	
Contractor	Pencon Construction Canada Corp.	
Original Award amount (excl. HST)	\$ 186,810	
Total Approved Changes (excl. HST)	\$ 602,111	
Total Contract Amount (excl. HST)	\$ 788,921	
Amount of Change (excl. HST)	\$ 79,963	
Revised Contract Amount (excl. HST)	\$ 868,884	
Background Information for Contract Increase	<p>This contract increase of \$79,963 (exclusive of HST) is requested due to the increase in repair/rebuild work. The work is determined by inspections in the spring and the subsequent work is completed by three different contractors; mud jacking, slicing and rebuild. The work can vary from year to year due to the severity of the failure in the sidewalk caused by weather, wear and tear, along with growing infrastructure. In 2019 no mud jacking work was completed which enabled operations staff to focus on the repair/rebuild work. All work remains within budget, including this contract increase.</p> <p>This contract was awarded in 2017 in the amount of \$186,810 (exclusive of HST) with two (2) additional one (1) year renewal options. All renewal options have been exhausted and a new tender will be issued in 2020.</p>	

	<p>The unit rates were established through the RFT process and the rates identified have been reviewed and validated by Engineering Services – Operations Staff.</p> <p>Staff have used Purchasing By-law #61-2018 section 7.2.2 (Note 1) to proceed with the acquisition of additional services. The lack of ability to proceed with mud jacking work in 2019 was not known at the time of the original award for the repair program, and as such nor was the opportunity to rebalance the overall sidewalk program.</p> <p>Staff will report back this approval at the February 10, 2020 Council Meeting, as part of the Purchasing Various Report.</p>
Financial Planning Section: Budget Impact	
Supervisor, Financial Planning	 <div>Date: Jan 10/20</div>
Account Number(s)	J-0300-0380-3740
Budget	\$ 106,141
Actual (Net of HST Rebate)	\$ 81,370
Variance	\$ 24,771 (F)
Funding Source	Operating Budget

Note 1: Authorization from section 7.2.2 of By-law #61-2018:

7.2.2 Despite any requirements of this By-law, the CAO may authorize the purchase of additional Goods or Services provided that they could not reasonably have been anticipated at the time of the Award of the original Contract or the purchase of additional Goods or Services are required to prevent interruption in service delivery or to avoid incurring extra costs. An informational report shall be submitted to Council by the Manager, Purchasing and Risk Management.

COUNCIL AUTHORITY FOR CONTRACT AWARDS

Project Award	Contract Increase for Milton Hydro / Milton Energy and Generation Solutions for the installation and maintenance of the Chillers at the Milton Sport Centre.
Recommendation	THAT the contract increase to Milton Hydro / Milton Energy and Generation Solutions for additional work required for the installation and maintenance of the Chillers at the Milton Sports Centre in the total amount of \$126,619 (exclusive of HST) be received for information.
Purpose of Report	Section 7 of the Purchasing By-law No. 061-2018 outlines the approval requirements for this form of contract change. As Milton Hydro, who have served as project lead for this initiative for the Town, have recently identified these previously incurred costs, this award is instead being presented for information.
Background information	<p>Through CORS-037-17 Council approved the single source award to Milton Hydro to include the installation of absorption chillers to be connected with the Combined Heat and Power System (CHP) at the Milton Sports Centre.</p> <p>The original award amount was for \$492,004 (exclusive of HST). There has been one change order to date resulting in the amount of -\$614 (exclusive of HST). The current contract total is \$491,390 (exclusive of HST).</p> <p>Milton Hydro was approved as the project lead to manage and install absorption chillers at the Milton Sports Centre to complement the combined heat and power system and correct a number of operational issues. As the project was under construction a number of unforeseen issues associated with additional mechanical works amounting to \$64,145 were identified and addressed to complete the installation. As this project was completed over multiple years, operational activities (example: winterization) amounting to \$62,474 were also completed by specialized contractors under contract with Milton Hydro to ensure system integration and operating efficiency.</p>

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C58214817-A1634-7550	F1315-1320-3740
Account Description	Milton Sports Centre Facility Improvements	Milton Sports Centre Facility Maintenance Contracts
Project Total Budget	\$1,560,531	\$517,783
Contract Budget	\$59,414	\$0
Actual (Net of HST Rebate)	\$65,274	\$63,573
Variance	\$5,860 (U)	\$63,573 (U)
Funding Source (Note 2)	Project Variance Account	2019 Operating Budget

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

COUNCIL AUTHORITY FOR CONTRACT AWARDS

Project Award	Single Source award to Automated Logic for the Milton Sports Centre Building Automation System (BAS) Preventative Maintenance Agreement.
Recommendation	Staff is recommending the single source award to Automated Logic for the Milton Sports Centre Building Automation System (BAS) Preventative Maintenance for a three (3) year period in the total amount of \$35,194 (exclusive of HST).
Purpose of Report	As per Section 9.3 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>The contract is for the preventative maintenance to the Building Automation System (BAS) at the Milton Sports Centre. Automatic Logic was the original installer of the system and is the only company able to do the software updates as required for the system. This request is to enter into a three (3) year agreement for the period ending September 30, 2022.</p> <p>Pricing for the agreement is as follows (pricing is exclusive of HST):</p> <p>Agreement Year One (1): \$11,386 Agreement Year Two (2): \$11,728 Agreement Year Three (3): \$12,080</p>
Financial Planning Section: Budget Impact (Note 1)	
Account Number(s) Account Description	F1315-1320-3740 Milton Sports Centre Facility Maintenance Contracts
Contract Budget Actual (Year 1 Net of HST Rebate) Variance Funding Source	\$12,842 \$11,586 \$1,256 (F) Operating Budget

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

COUNCIL AUTHORITY FOR CONTRACT AWARDS

Project Award	Contract Increase to DeFaveri Group Contracting Inc. for Emergency Relocation of Gutter Downspouts at Fire Station No. 1.
Recommendation	<p>That the contract increase to DeFaveri Group Contracting Inc. in the total amount of \$8,069 (exclusive of HST) for emergency relocation of four (4) Downspouts at the exterior of the building at Fire Station No. 1. be received for information.</p> <p>AND THAT Council approve an increase from 10% to 12% in the contract contingency authority as described in section 9.1 of the Purchasing Bylaw for the contract with Defaveri Group Contracting for Fire Station No. 1.</p>
Purpose of Report	As per Section 7.1.2 of the Purchasing By-law No. 061-2018, Council approval is required. As per Section 11.1 of Purchasing By-law No. 061-2018, emergency expenditures shall be reported to Council for information.
Background information	<p>The emergency repair in the amount of \$8,069 (exclusive of HST) to DeFaveri Group Contracting Inc. who are under contract for the renovation of Station No. 1. The repairs were required to cover the costs associated with the following:</p> <ul style="list-style-type: none"> • Emergency supply and relocate four (4) new downspout assemblies to match existing. • Emergency cap and seal the existing four (4) downspouts at gutter. <p>The original contract was in the amount \$4,557,000 (exclusive of HST). The total change orders to-date are in the amount of \$448,588 (exclusive of HST). The new contract total will be \$5,013,656 (exclusive of HST).</p> <p>As the change orders to date noted above are approximately equal to the existing delegated authority for change orders, an additional recommendation is being made to increase the authority from 10% to 12%. As this project has already achieved substantial completion, no further significant costs are anticipated. The authority requested will ensure the efficient finalization of the project should any further changes be identified and validated.</p>
Financial Planning Section: Budget Impact (Note 1)	
Account Number(s)	C58711117/18
Account Description	Fire Station No. 1 Redevelopment
Project Total Budget	\$6,044,270
Contract Budget	\$0

Actual (Net of HST Rebate)	\$8,211
Variance	\$8,211 (U)
Funding Source	Contingency

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