



# 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: March 1, 2021

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Report No: CORS-009-21

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Subject: Purchasing Various

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

**THAT the budget for capital project C33900021 2021 Asphalt Overlay program be increased by \$590,409 to be funded from savings in the 2020 Asphalt Overlay program as outlined on Schedule B;**

**THAT the contract increase to Quality Tree Service for Tree Removal, Stump Grinding and Emergency Works in the total amount of \$110,441 (exclusive of HST) be approved as outlined on Schedule C;**

**THAT the contract increase to Maple Hill Tree Services for Tree Pruning and Supplemental Support Systems in the total amount of \$110,441 (exclusive of HST) be approved as outlined on Schedule D;**

**THAT the contract increase to Wood Environmental & Infrastructure for a Peer Review of Derry Green SIS Area 1&2 in the total amount of \$7,350 (exclusive of HST) be approved as outlined on Schedule E;**

**THAT the contract increase to the City of Burlington for Animal Shelter Services in the total amount of \$284,091 (exclusive of HST) be approved as outlined on Schedule F;**

**THAT the contract increase to Antec Appraisal Group for an appraisal to a Fifth Line property in the total amount of \$3,500 (exclusive of HST) be approved as outlined on Schedule G;**

**THAT the contract increase of \$31,444 (exclusive of HST) to Dillon Consulting for the Fire Master Plan be approved as outlined on Schedule H;**



**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.**

## EXECUTVE 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 H) attached.

Included in the 2020 Year End Capital Report to be presented to Council on April 12, 2021 will be a request to transfer savings of \$590,409 in the 2020 Asphalt Overlay to reserve funds to allow for additional roads in the 2021 program and further address the backlog in the Town's road rehabilitation program. Schedules A and B of this report reflect the funding increase of \$590,409 in the 2021 program from those same reserve funds, and is being presented in advance of the offsetting adjustment to the 2020 project in order to support the timely initiation of work in 2021.



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## Financial Impact

Financial impacts are outlined in detail on the attached Schedules A through H. The resulting funding adjustments are presented on Schedule A, and result in a net overall increase in approved capital budgets of \$622,406.

Respectfully submitted,

Glen Cowan  
Chief Financial Officer/ Treasurer

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 Changes in Project Budgets and Funding  
Schedule B – Budget Amendment for 2021 Asphalt Overlay Program  
Schedule C – Tree Service for Tree Removal, Stump Grinding and Emergency Works  
Schedule D – Tree Pruning and Supplemental Support Systems  
Schedule E – Peer Review of Derry Green SIS Area 1&2  
Schedule F - Animal Shelter Services  
Schedule G – Property Appraisal on Fifth Line  
Schedule H – Fire Master Plan

CAO Approval  
Andrew M. Siltala  
Chief Administrative Officer

### Summary of Changes in Capital Project Budgets and Funding

Schedule	B	H	Total Change in Funding Sources Increase / (Decrease)
Project Number	C33900021	C7410018	
Project Description	Asphalt Overlay Program (Note 1)	Fire Master Plan Update	
<b>Total Approved Project Budget</b>	<b>\$ 9,942,474</b>	<b>\$ 139,831</b>	
<b>Development Charges:</b>			
Roads DC	59,041		59,041
Fire DC		31,997	31,997
<b>External Funding Sources:</b>			
Federal Gas Tax	531,368		531,368
<b>Total Increase/(Decrease) in Funding</b>	<b>590,409</b>	<b>31,997</b>	<b>\$ 622,406</b>
<b>Total Revised Project Budget</b>	<b>\$ 10,532,883</b>	<b>\$ 171,828</b>	

Note 1: Represents the total amount of funding savings from the 2020 Asphalt Overlay project that will be reported through the 2020 Year End Capital Variance Report

<b>COUNCIL AUTHORITY FOR BUDGET AMENDMENT</b>	
<b>Project Details</b>	Budget Amendment – Asphalt Overlay
<b>Recommendation</b>	<b>THAT the budget for capital project C33900021 2021 Asphalt Overlay program be increased by \$590,409 to be funded from savings in the 2020 Asphalt Overlay program.</b>
<b>Purpose of Report</b>	As per Budget Amendment Policy No. 113 Section 4.7.2 iii Council approval is required.
<b>Background information</b>	<p>The 2019 State of Road Infrastructure report (ENG-018-19) reported that an annual investment requirement of \$21.9 million is required in order to sustain the existing roads assets over the complete lifecycle. As discussed through the 2021 budget, a funding gap exists between the budget and the annual target. Although progress is being made to close the funding gap over the 10 year forecast period, investment in the asphalt overlay program is weighted towards the end of that time period.</p> <p>The 2020 Asphalt Overlay program will have savings of \$590,409 as a result of fewer sub drain repairs than anticipated, reduced expenses in crack and sawing repairs, revised quantity requirements, and reduced work to minimize disturbances on Main Street during the COVID-19 recovery. Through the 2020 Year End Capital Report, to be presented to Council on April 12, 2021, it will be recommended that these funding savings be redirected to the 2021 Asphalt Overlay project in order to allow for additional roads in the 2021 program and further address the backlog in the Town’s road rehabilitation program.</p> <p>In order to facilitate the timely award of the 2021 program, the approval of this transfer is being requested through this report. The reduction in project budget of the 2020 program will be reported through the Year End Capital Variance report.</p>
<b>Financial Planning Section: Budget Impact</b> <small>(includes non-refundable HST)</small>	
<b>Account Number(s)</b>	C33900021
<b>Account Description(s)</b>	2021 Asphalt Overlay Program
<b>Project Total Budget</b>	\$9,942,474
<b>Budget Amendment Requested</b>	\$590,409

<b>(Decrease)/Increase Funding Source</b>	Federal Gas Tax, Development Charges (Note 1)
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Note 1: A budget increase of \$590,409 is included for approval in Schedule A, reflecting the savings from the 2020 Asphalt Overlay program that will be returned through the 2020 Year End Capital Variance report.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS  
CONTRACT INCREASE**

<b>Project Award</b>	Quality Tree Service for Suburban Tree Removal, Stumping and Emergency Work.
<b>Recommendation</b>	<b>Staff are seeking approval to proceed with a contract increase for Quality Tree Service in the total amount of \$110,441 (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 Quality Tree for Tree Removal, Stump Grinding and Emergency Works in accordance with Tender 20-340 in the total amount of \$52,500 (exclusive of HST) under PDA-012-20. Additional funds were approved under CORS-052-20 in the total amount of \$50,000 (exclusive of HST).</p> <p>This contract increase in the total amount of \$110,441 (exclusive of HST) is for dead tree removals, stump grinding and emergency vegetation management works (tree failures, urgent traffic sight line issues, wind storms, etc.) throughout the Town, as required throughout the second year renewal term (April 1, 2021 to March 31, 2022). The option exists to renew this contract for a further three (3) one (1) year terms.</p> <p>The new contract will be in the total amount of \$212,941 (exclusive of HST).</p>

**Financial Planning Section: Budget Impact** (Note 1)

<b>Account Number(s)</b>	3200/3500 -3740
<b>Account Description</b>	Tree Maintenance and Replacement
<b>Project Total Budget</b>	NA
<b>Contract Budget</b>	\$112,385
<b>Actual</b> (Net of HST Rebate)	\$112,385 (Note 2)
<b>Variance</b>	\$ 0
<b>Funding Source</b>	Operating Budget

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

Note 2: Actual is an estimate only at this stage and subject to the final volume of works required during the year.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS  
CONTRACT INCREASE**

<b>Project Award</b>	Maple Hill for Tree Pruning and Supplemental Support Systems
<b>Recommendation</b>	<b>Staff are seeking approval to proceed with a contract increase for Maple Hill Tree Services in the total amount of \$110,441 (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 Maple Hill for Tree Pruning and Supplemental Support Systems in accordance with Tender 20-341 in the total amount of \$120,000 (exclusive of HST) under PDA-013-20. Additional funds were approved under CORS-052-20 in the total amount of \$100,000 (exclusive of HST).</p> <p>This contract increase in the total amount of \$110,441 (exclusive of HST) is for cyclical street and park tree pruning, addresses heritage tree retrenchment, cabling and other needs and performs dead wood/branch removals throughout Town, as required throughout the second year renewal term (April 1, 2021 to March 31, 2022). The option exists to renew this contract for a further three (3) one (1) year terms.</p> <p>The new contract will be in the total amount of \$330,441 (exclusive of HST).</p>

**Financial Planning Section: Budget Impact** (Note 1)

<b>Account Number(s)</b>	3200/3500 - 3740
<b>Account Description</b>	Tree Maintenance and Replacement
<b>Project Total Budget</b>	NA
<b>Contract Budget</b>	\$112,385
<b>Actual</b> (Net of HST Rebate)	\$112,385 (Note 2)
<b>Variance</b>	\$ 0 (U)
<b>Funding Source</b>	Operating Budget

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

Note 2: Actual is an estimate only at this stage and subject to the final volume of works required during the year.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS  
CONTRACT INCREASE**

<b>Project Award</b>	A Peer Review of Derry Green SIS 1&2 (Oxford Properties)
<b>Recommendation</b>	<b>Staff is seeking approval to proceed with a contract increase for the peer review of Derry Green SIS Area 1&amp;2 in the total amount of \$7,350 (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 Environmental &amp; Infrastructure is for a Peer Review of Derry Green SIS Area 1&amp;2 in the total amount of \$63,250 (exclusive of HST). There have been no change orders issued to-date.</p> <p>During the review of the Derry Green SIS Area 1&amp;2 document it was determined that the applicant required assistance from the peer review team to confirm hydrologic modelling of the site in order to advance the study. The value of the change order was determined by the hourly rates put forward, that staff have reviewed and determined to be fair market value.</p> <p>Fees are completely recoverable by the Town through the Developer.</p> <p>This contract increase in the total amount of \$7,350 (exclusive of HST) is for the additional effort related to the unforeseen modelling assistance required.</p> <p>The new contract total will be in the total amount of \$70,600 (exclusive of HST).</p>

**Financial Planning Section: Budget Impact** (Note 1)

<b>Account Number(s)</b>	6350-3736
<b>Account Description</b>	Consultant – Recoverable
<b>Total Project Budget</b>	N/A
<b>Contract Budget</b>	\$ 0
<b>Actual</b> (Net of HST Rebate)	\$ 7,479.36
<b>Variance</b>	\$ 7,479.36 (U)
<b>Funding Source</b>	Recovery from developers

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

## COUNCIL AUTHORITY FOR CONTRACT AWARDS

<b>Project Award</b>	Three (3) year contract extension for shelter services for animal control services.
<b>Recommendation</b>	<b>Staff are requesting a three year extension to the agreement with the City of Burlington for shelter services for animal control services, in the amount of \$92,644 (exclusive of HST for year one) and \$94,682 (exclusive of taxes for year two) and \$96,765 (exclusive of taxes for year three) for a total contract amount of \$284,091 (exclusive of HST).</b>
<b>Purpose of Report</b>	As per Section 10.1 of Purchasing By-law No. 061-2018, a report is required.
<b>Background information</b>	<p>Milton's animal services is supplemented by the Burlington Animal Shelter. The partnership with the Burlington Animal Shelter commenced in 2014 and continues to provide a high standard of animal care to the community. The Burlington Animal Shelter acts as the shelter as Milton does not have a facility to provide shelter services. Stray domestic animals picked up by Milton Animal Services Officers are transported to the Burlington Animal Shelter for care, fostering or adoption.</p> <p>The contract includes fixed annual payments for Milton as outlined above. The negotiated rates for the two year period represent annual increases of 2.2% each year.</p> <p>The total contract amount over the three (3) year term is \$284,091 (exclusive of HST).</p>

### Financial Planning Section: Budget Impact (Note 1)

<b>Account Number(s)</b>	2322-3740
<b>Account Description</b>	Animal Services - Contracts
<b>Project Total Budget</b>	N/A
<b>Contract Budget</b> <small>(Note 2)</small>	\$ 87,321
<b>Actual</b> <small>(Net of HST Rebate)</small>	\$ 86,418
<b>Variance</b> <small>(Note 3)</small>	\$ 903 (F)
<b>Funding Source</b>	Operating Budget

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

Note 2: Represents the approved operating budget for the 2021 contract term (11 months). The remaining portion of the contract will be included in the 2022, 2023 and 2024 operating budgets.

Note 3: The total cost of animal control services will be monitored against approved budgets and any variances will be reported through the variance process.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS  
CONTRACT INCREASE**

<b>Project Award</b>	Antec Appraisal Group – Property Appraisal Services
<b>Recommendation</b>	<b>Staff is seeking approval to proceed with a contract increase to Antec Appraisal Group for an appraisal report for a property on Fifth Line in the total amount of \$3,500 (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 Antec Appraisal Group for Property Appraisal Services on Fifth Line in the total amount of \$59,500 (exclusive of HST). Change orders for renewal terms have been issued in the total amount of \$3,000.</p> <p>This contract increase in the total amount of \$3,500 (exclusive of HST) is for completing an a new appraisal report on a property on Fifth Line to aid in the Town’s property negotiation for the purpose of Road Widening. The unit rate for the property appraisal is the same as the previously completed appraisals on the project.</p> <p>The new contract total will be in the total amount of \$66,000 (exclusive of HST).</p>

**Financial Planning Section: Budget Impact** (Note 1)

<b>Account Number(s)</b>	C34004618
<b>Account Description</b>	5 <sup>th</sup> Line (Hwy. 401 to Derry Road)
<b>Project Total Budget</b>	\$ 13,302,821
<b>Contract Budget</b>	\$0
<b>Actual</b> (Net of HST Rebate)	\$3,562
<b>Variance</b>	\$3,562 (U)
<b>Funding Source</b>	Contingency within Project

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

**COUNCIL AUTHORITY FOR CONTRACT AWARDS  
CONTRACT INCREASE**

<b>Project Award</b>	Contract Increase to Dillon Consulting for the Fire Master Plan Update.
<b>Recommendation</b>	<b>Staff are seeking approval to proceed with a contract increase to Dillon Consulting to add additional scope to the Fire Master Plan in the total amount of \$31,444 (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>In 2018, Council approved delegated authority for staff to proceed with the single source award to Dillon Consulting under CORS-035-18 to complete the work required for the update to the Fire Master Plan. The original award for Phase I of the Master Plan was for \$49,976 (exclusive of HST) under PDA-047-18.</p> <p>Staff proceeded with Phase II of the Master Plan, in the total amount of \$54,926 (exclusive of HST) under CORS-049-18. Additional contract increases approved are in the total amount of \$5,225 for additional GIS Modelling, analysis, reporting and additional consultation with the Fire Association, and in the total amount of \$20,000 (exclusive of HST) under CORS-066-19. This increase provided for public consultation in addition to part-time firefighters. The total of all change orders to-date is in the total amount of \$80,151 (exclusive of HST).</p> <p>As the Fire Master Plan project is reaching completion, additional funding is required to complete the project. The additional work and expanded scope includes a divisional review that will assist in future capital asset planning. Previously collected data within the scope of work will also require updating as staffing changes have expanded the project timelines.</p> <p>This contract increase in the total amount of \$31,444 (exclusive of HST) is for the additional scope of work and an update of the data to complete the Fire Master Plan. This contract increase has been reviewed and validated by the program area. The new contract total will be \$161,571 (exclusive of HST).</p>

**Financial Planning Section: Budget Impact** (Note 1)

<b>Account Number(s)</b>	C74010018 -N0410-7290
<b>Account Description</b>	Fire Master Plan Update
<b>Project Total Budget</b>	\$ 139,831
<b>Contract Budget</b>	\$ 0
<b>Actual</b> (Net of HST Rebate)	\$ 31,997

**Variance**

\$ 31,997 (U)

**Funding Source**

Development Charges

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

Note 2: Although drawing from the Fire Development Charge Reserve Fund will further the reserve fund deficit, the Town’s combined Development Charge reserve funds (excluding services related to a highway) are in a positive position. The shortfall in the Fire Development Charge Reserve Fund will be included in the next Development Charge Background Study and will be funded through future development charge collections.