



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer / Treasurer

Date: July 19, 2021

Report No: CORS-041-21

Subject: Purchasing Various

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

THAT Council approve the contract increase to Hatch for contract administration, inspection and material testing related to Campbellville Road Bridge (Structure 72) in the total amount of \$3,781 (exclusive of HST), as outlined on Schedule B;

THAT Council approve the third year contract renewal to Ducon Utilities Ltd. for Traffic Signal & Street Light Maintenance in the total estimated amount of \$852,999 (exclusive of HST), as outlined on Schedule C;

THAT Council approve the single source award to Jordair Compressors Inc. for Air Filling Systems in the total amount of \$83,090 (exclusive of HST), as outlined on Schedule D;

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).



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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 D) attached.

Financial Impact

Financial impacts are outlined in detail on the attached Schedules A through D. The resulting funding adjustments are presented on Schedule A, and result in a net overall increase in approved capital budgets of \$900.

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 - Reserve & Reserve Fund Transfers
Schedule B – Contract Increase for Campbellville Road Bridge (Structure 72)
Schedule C – Contract Renewal for Traffic Signal & Street Light Maintenance
Schedule D – Single Source for Jordair Compressors Inc.

CAO Approval
Glen Cowan
Acting Chief Administrative Officer

Summary of Changes in Capital Project Budgets and Funding

Schedule	D	Total Change in Funding Sources Increase / (Decrease)
Project Number	C72015220	
Project Description	Air Filling System Replacement	
Total Approved Project Budget	\$ 35,514	
Recommended Budget Change Project Variance Account	900	900
Total Increase/(Decrease) in Funding	900	\$ 900
Total Revised Project Budget	\$ 36,414	

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
CONTRACT INCREASE**

Project Award	Contract increase for Contract Administration for Campbellville Road Bridge (Structure 72).
Recommendation	Staff are requesting a contract increase to Hatch for contract administration, inspection and material testing related to Campbellville Road Bridge (Structure 72) in the total amount of \$3,781 (exclusive of HST).
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>The current contract awarded to Hatch for the detailed design and contract administration for Campbellville Road Bridge (Structure 72) in the total amount of \$102,494 (exclusive of HST). Change orders to-date are in the total amount of \$9,970 (exclusive of HST).</p> <p>This contract increase of \$3,781 (exclusive of HST) is for additional contract administration and inspection. The additional contract administration fees are required to complete the remaining warranty inspections and additional contract administration functions.</p> <p>The rates used in the proposed contract increase are consistent with previous rates charged in 2020 and staff have reviewed and validated the proposed work plan.</p> <p>The new contract total will be \$116,245 (exclusive of HST).</p>

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C39011820-A0613-7210
Account Description	Campbellville Road Bridge (Structure 72)
Project Total Budget	\$628,229
Contract Budget	\$ 1,017
Actual (Net of HST Rebate)	\$ 3,848
Variance	\$ 2,830 (U)
Funding Source	Variance within the project.

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

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
CONTRACT RENEWAL**

Project Award	Tender Award No. 19-086 – Traffic Signal & Street Light Maintenance, Third Year Contract Renewal.
Recommendation	Staff are recommending the contract renewal to Ducon Utilities Ltd. for the Traffic Signal and Street Light Maintenance for the third year term (August 1, 2021 to July 31, 2022) in the total amount of \$852,999 (exclusive of HST).
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>The original award resulted from a competitive tender process lead by Milton on behalf of the Halton Cooperative Purchasing Group (HCPG). The contract was awarded to Ducon Utilities Ltd. for a possible five (5) year term, which was comprised of the original one (1) year award for the period August 1, 2019 to July 31, 2020, and four (4) additional single year renewals thereafter.</p> <p>The contract was renewed for the second year term for the period August 1, 2020 to July 31, 2021 through PDA-045-20.</p> <p>The first year of the contract had originally been estimated to be \$495,101, although the final annual amount was actually \$1,120,735. The second year estimate was \$502,410 and up to the end of June the actuals was \$796,740 (with an estimated \$165,131 needed for July 2021).</p> <p>The total spend for the contract has been higher than what was originally anticipated due to a number of factors, including: town purchasing equipment on behalf of Halton Region, the timing of the blanket order creation relative to finalization of the subsequent year capital budget, this contract is also for maintenance and it is difficult to predict any underground hydro faults or signals issues and Pedestrian Crossovers and Signals that may be warranted throughout the year. In addition, the previous contract increases included work related to the Asphalt Overlay Program such as installing temporary cameras, as well as work related to Infrastructure Capital Works for installing new traffic signal lights at new intersections.</p>

	<p>Pricing from the contract has been held firm from prior years, so fluctuations in the annual estimated totals reflect differences in the extent of work anticipated by year.</p> <p>The contract renewal for the third contract year is being requested in the total estimated annual amount of \$852,999 (exclusive of HST). The contract total will now be in the estimated amount of \$2,902,441 (exclusive of HST).</p> <p>The contract allows for two (2) further one (1) year renewal terms being August 1, 2022 through to July 31, 2023 and August 1, 2023 through to July 31, 2024.</p>
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Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	Various Capital & Operating Accounts
Account Description	Traffic Signal and Street Light Maintenance
Project Total Budget	N/A
Contract Budget	\$ 868,012
Actual (Net of HST Rebate)	\$ 868,012(Note 2)
Variance	\$ 0
Funding Source	Capital & Operating

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

Note 2: Contract Actuals are an estimate only. The resulting costs will be managed by Program Area staff and reviewed with Financial Planning with any variances being reported through the variance process.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
SINGLE SOURCE AWARD**

Project Award	Single Source award to Jordair Compressors Inc. for Air Filling Systems for Self Contained Breathing Apparatus.
Recommendation	Staff is recommending a single source award to Jordair Compressors Inc. for Air Filling Systems in the total amount of \$83,090 (exclusive of HST)
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>Milton Fire has a breathing air compressor and compressed air storage systems at two (2) Fire Stations that require upgrades to service new 4500 PSIG SCBA filling stations.</p> <p>Each system is used to refill breathing air equipment (SCBA – Self Contained Breathing Apparatus) worn by firefighters when working under hazardous conditions. The systems are manufactured and distributed by Jordair Compressors Incorporated and serviced exclusively by their certified local service vendor.</p> <p>To ensure both training and operational consistency, all SCBA respiratory protection equipment within the department needs to be fully interchangeable between all fire stations. Currently all air management systems (compressors, cascade cylinders and filling stations) are manufactured by Jordair Compressors, and any additional equipment being installed needs to remain fully compatible.</p> <p>This request is for approval of the single source procurement of two (2) certified Jordair air compressors and air storage systems to outfit Fire Station 2 and 3.</p>

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C72015220-A0410-7130	C72010319-A0410-7130	C72010320-A0410-7130
Account Description	Air Filling System Replacement	Hazardous Materials – Replacement	Hazardous Materials – Replacement
Project Total Budget	\$ 35,514	\$ 25,875	\$ 25,750
Contract Budget	\$ 34,314	\$ 24,338	\$ 25,000
Actual	\$ 35,214	\$ 24,338	\$ 25,000
Variance	\$ 900 (U)	\$ 0	\$ 0
Funding Source	Project Variance Account		

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