



The Corporation of the Town of Milton

Report To: Council

From: Glen Cowan, Chief Financial Officer / Treasurer

Date: October 25, 2021

Report No: CORS-052-21

Subject: Purchasing Various

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

THAT Council approve the Purchasing By-law Amendment related to Section No. 6.4 to change the direct and bidding limits for consultant award assignments from \$250,000 to \$350,000, (exclusive of HST) under the Consulting Services for Design and Contract Administration Roster Programs outlined on Schedule B;

THAT Council approve the contract increase to Wood Environmental & Infrastructure Solutions for the detailed design component of the Boyne Active Transportation Link in the total amount of \$214,515 (exclusive of HST), as outlined on Schedule C;

THAT Council approve the staff delegated authority to award the contract administration and inspect services for the Boyne Active Transportation Link to Wood Environmental & Infrastructure Solutions at an estimated cost of \$163,200 following completion of the detailed design, as outlined on Schedule C;

THAT the emergency work awarded to Heale Consulting and Management for the emergency replacement of a failed compressor within the primary AC cooling unit in the Town Hall data centre in the total amount of \$14,301 (exclusive of HST) as outlined on Schedule D, be received for information;

THAT the emergency work awarded to J. Di Iorio Construction Ltd. for additional crack sealing requirements in the total amount of \$22,154 (exclusive of HST) as outlined on Schedule E, be received for information;



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 required paperwork.

EXECUTVE SUMMARY

This report is being submitted to obtain 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).

Also included is an amendment to the authorities provided for in the purchasing by-law in relation to consulting roster assignments. Although the overall staff delegated authority limit for awards remains unchanged at \$500,000, within that limit the ability to allow for direct awards (as opposed to RFPs for eligible roster firms) will increase from \$250,000 to \$350,000. This change is timely as the Town will soon establish a revised roster of firms through a competitive RFP process, and it will create efficiencies for the Town's Infrastructure Management division and respond to feedback that the Town has received from stakeholders in these processes.

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 E) attached. Fulsome detail relating to the proposed amendment to the purchasing by-law is provided in Appendix B.

Financial Impact

Financial impacts are outlined in detail on the attached Schedules A through E. The resulting funding adjustments are presented on Schedule A, and result in a net overall increase in approved capital budgets of \$120,362.

The primary driver of the capital budget increase is the detailed design component of the Boyne Pedestrian Railway Crossing project. Preliminary design work and an



Discussion

environmental assessment has been completed with that work identifying additional requirements for the detailed design.

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 – Purchasing By-law Amendment
Schedule C – Contract Increase for Boyne AT Link
Schedule D – Emergency Purchase related to Town Hall Data Centre AC Compressor
Schedule E – Emergency Purchase related to Crack Sealing

CAO Approval
Andrew M. Siltala
Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the HuronWendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.

Summary of Changes in Capital Project Budgets and Funding

Schedule	D	Total Change in Funding Sources Increase / (Decrease)
Project Number	C38010821	
Project Description	Boyne Pedestrian Railway Crossing	
Total Approved Project Budget	\$ 167,550	
Development Charges:		
Roads DC	120,362	120,362
Total Increase/(Decrease) in Funding	120,362	\$ 120,362
Total Revised Project Budget	\$ 287,912	

COUNCIL AUTHORITY FOR AMENDMENTS TO THE PURCHASING BY-LAW #061-2018.

Purpose of Report	To amend the Purchasing By-law #016-2018
Recommendation	Staff are recommending approval for a By-law Amendment related to Section No. 6.4 to change the direct and bidding limits for consultant award assignments from \$250,000 to \$350,000, (exclusive of HST) under the Consulting Services for Design and Contract Administration Roster Program.
Reference	As per Section 21.1 of Purchasing By-law No. 061-2018, Council approval is required, to amend the authorization
Background information	<p>In 2018, staff brought forward a new Purchasing Bylaw #061-2018, which included a process for the hiring of consultants for design and contract administration for the Infrastructure and Parks/Facilities Divisions. The process outlined options for the assignments based on dollar limits. Direct awards could be used for complete projects up to \$250,000 and bidding within the roster consultants over \$250,000. It also allowed the Town to openly bid any assignments outside the roster.</p> <p>An RFP was issued in late 2018, to create a roster for the period January 1, 2019 to December 31, 2021. As this was a new process staff issued a survey earlier this year to those Consultants on our current roster to solicit feedback on the process.</p> <p>One notable issue that arose from several consultants, was the lack of bid opportunities in one of the Divisions due to the lower dollar value of the related assignments. The second issue arising was that in another division routine work was always having to be bid within the roster, such as design work for bridge rehabilitation program and the crack sealing program.</p> <p>Staff reviewed these issues and suggested the following changes:</p> <ul style="list-style-type: none"> a. Changes in direct award limits. b. Reduced the number of areas that companies had to qualify in. Disciplines that were only used sporadically were eliminated from the roster. <p>As a result, Staff intend to utilize the following limits for direct awards within the following divisions:</p> <ul style="list-style-type: none"> a. Civil Engineering – is currently \$250,000 and staff are proposing increase to up to \$350,000 (subject to Council approval). b. Landscape Architecture and Facility Architecture/ Engineering is currently \$250,000 and staff are proposing to utilize a bid process for awards over \$150,000.

CORS-052-21 Schedule B

The increased amount will allow for routine work within the Civil Engineering discipline to be directly awarded, while the reduced amount will allow for more bidding activity over the lower value of \$150,000 in the Landscape Architecture and Facility Architecture/Engineering discipline. The only change required to the purchasing by-law relates to the increased limit to \$350,000, as staff have authority already to bid assignments below the direct award limit.

A change to these authorities at this time is appropriate as the Town is about to enter the next 3-year term for the consulting roster (following the completion of a competitive RFP process). As such, an amendment to the purchasing by-law is being requested through this report in advance of the next comprehensive review of the purchasing by-law.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
CONTRACT INCREASE**

Project Award	Boyne Active Transportation Link – Detailed Design
Recommendation	<p>Staff is recommending approval to proceed with a contract increase for Wood Environment & Infrastructure Solutions in the total amount of \$214,515 (exclusive of HST).</p> <p>Staff is also requesting the delegated authority to award the contract administration and inspect services following completion of the detailed design.</p>
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 Wood Environment & Infrastructure Solutions for the Municipal Class Environmental Assessment (EA) and preliminary design work in the amount of \$201,293 (exclusive of HST). The original award was for \$185,472 (exclusive of HST) and change orders have been issued in the amount of \$15,821 (exclusive of HST).</p> <p>This contract increase in the amount of \$214,515 (exclusive of HST) is for the detailed design component. The unit rates are in line with the overall roster unit rates for Wood Environment & Infrastructure (RFP 18-051) and represent approximately 5.3 % of the estimated value of the construction contract (as outlined in the Environmental Study Report, reference DS-044-21). The original award for the EA and preliminary design work was awarded via PDA-CRAN-19-051-01, as the overall original contract amount was estimated at under \$500,000. The original estimate of \$94,325 (ex. HST) for detailed design has been updated to \$214,515 (ex. HST), which reflects additional structural design requirements, electrical requirements, hydrogeology work, and fill management requirements, as determined through the EA process.</p> <p>The original contract was awarded to Wood Environment & Infrastructure through the approved consultant roster process for the overall scope of consultant work (including EA, preliminary design, detailed design, and contract administration and inspection (which will be formally awarded, pending budget approval, upon completion of the detailed design phase). This work was issued to the Civil Engineering consultant roster with competitive proposals submitted from three (3) of the roster consultants (as detailed in PDA-CRAN-19-051-01).</p> <p>Council approval at this time is required due to the funding required for this contract increase, and also as the overall</p>

CORS-052-21 - Schedule C

	<p>anticipated contract award for Wood, once contract administration and inspection is considered, will be over the \$500k threshold for roster assignments to be awarded at the staff level, via PDA-CRAN. With this council approval, ultimately the contract increase for the contract administration and inspection will be made via PDA-CRAN, anticipated in 2022, in line with the consultant roster award process.</p> <p>This contract increase of \$214,515 (exclusive of HST) is for the detailed design portion of the project. The estimate of \$163,200 (exclusive of HST) for the contract administration and inspection will be revisited upon completion of detailed design and formally awarded at that time, pending council approval of the associated budget.</p> <p>The new contract will be in the total amount of \$415,809 (exclusive of HST).</p>
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Financial Planning Section: Budget Impact (Note 1)	
Account Number(s)	C38010821
Account Description	Boyne Pedestrian Railway Crossing
Project Total Budget	\$167,550
Contract Budget	\$ 108,870
Actual (Net of HST Rebate)	\$ 218,290
Variance	\$ 109,420 (U)
Funding Source	Development Charges
Additional Budget Requested (Note 2)	\$10,942
Funding Source	Development Charges

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

Note 2: Separate from the contract increase, additional contingency is required.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
EMERGENCY CONTRACT AWARD**

Project Award	Emergency Contract Award for AC compressor replacement
Recommendation	Staff proceeded with the contract award for the emergency replacement of a failed compressor within the primary AC cooling unit in the Town Hall data centre to Heale Consulting and Management in the total amount of \$14,301 (exclusive of HST). This award is being received for information.
Purpose of Report	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 Town relies on cooling operations within IT equipment rooms at various facilities in order maintain robust and reliable IT services across the organization.</p> <p>On August 19th, Information Technology staff became aware of a failure of one of the compressors within air conditioning unit #1 located in the primary Town Hall data centre. This failure resulted in reduced cooling capacity and redundancy within the room and further failures or faults of the existing or subsequent cooling equipment could quickly lead to the overheating of critical IT equipment and impacts to IT services across the organization.</p> <p>Staff proceeded with an immediate replacement of the compressor utilizing an existing contract that provides data centre maintenance for the Town.</p>

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	2216-3945
Account Description	Service Agreements
Project Total Budget	N/A
Contract Budget	\$ 0
Actual (Net of HST Rebate)	\$ 14,553
Variance (Note 2)	\$ 14,553 (U)
Funding Source	Operating Budget

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

Note 2: These costs will be monitored against the approved budgets with any variance reported through the September Operating Budget Review.

**COUNCIL AUTHORITY FOR CONTRACT AWARD
EMERGENCY CONTRACT AWARD**

Project Award	Emergency Contract Increase for 2021 Crack Sealing Program
Recommendation	Staff proceeded with emergency work required for the 2021 Crack Sealing Program to J. Di Iorio Construction Ltd. in the total amount of \$22,154 (exclusive of HST). This report is being received for information.
Purpose of Report	As per Section 11.1 of Purchasing By-law No. 061-2018, emergency expenditures shall be reported to Council for information.
Background information	<p>Due to timing constraints for the roadwork in relation to Council meeting dates as well as legislated payment timing requirements, staff proceeded with emergency work required for the 2021 Crack Sealing Program, up to the available budget limit.</p> <p>The original amount awarded for this contract was \$157,181 (exclusive of HST) on PDA-027-21. The original estimated amount of this program was based on the linear meter of the crack size, and not necessarily the depth of the cracks. In some cases, the cracks required additional passes in order to fill them adequately. A contract increase of \$22,154 (exclusive of HST) was required in order to complete the program on time. This work was completed on September 2, 2021.</p> <p>The new total for this contract is in the amount of \$179,335 (exclusive of HST).</p>

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	0100-0120-3740
Account Description	Hardtop Maintenance –Crack sealing program
Project Total Budget	NA
Contract Budget	\$ 164,657
Actual (Net of HST Rebate)	\$ 22,544
Variance (Note 2)	\$ 142,113 (F)
Funding Source	Operating Budget

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

Note 2: Staff is requesting that \$50,000 of the favourable variance remain in the budget to accommodate design fees for the 2022 Crack Sealing Program. The remaining amount of \$92,113 will be reported as a forecasted decrease through the September Operating Variance report.