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Council-In-Committee Meeting – November 12, 2023

Subject: Summary of Bid Awards for the Period Ending October 24, 2023
Report Number: CS-23-149
Division: Corporate Services
Department: Purchasing Services
Ward: All Wards
Purpose: For Decision

Recommendation(s):

THAT Staff Report CS 23-149, Summary of Bid Awards for the period ending October 24, 2023, be received as information;

AND THAT the Director, Engineering be authorized to execute a contract with Robert M Simon Construction Ltd. for Request for Tender **EIS-ENG-23-55 East Quarter Line Culvert Replacement** in the amount of \$636,801.63 (excluding HST);

AND THAT the Manager, Asset Management be authorized to execute a contract with GM BluePlan Engineering for Request for Proposal **EIS-AM-23-01 Consulting Services for Corporate Asset Management Plan and Software** in the amount of \$302,930 (excluding HST).

AND THAT the Director, Environmental Services be authorized to execute a contract with Photech Environmental Solutions Inc. for Request for Tender **EIS-ES-23-09 Collection and Disposal of Household Hazardous Waste at Collection Events** in the amount of \$793,459.05 (excluding HST) for a two (2) year term, from January 1, 2024 to December 31, 2025;

AND THAT the Emergency Purchase for **Zamboni Battery Replacement - Waterford Arena** in the amount of \$15,617.00 be received as information.

Executive Summary:

The purpose of this report is to present a simplified bid award report request outlining various bid results for formal bidding opportunities that have closed for the period ending October 24th 2023. Staff are seeking approval for contracts to be executed with the successful bidders in accordance with CS-01 Delegated Financial Spending Authority to Officers and Employees of Norfolk County.

Discussion:

In accordance with Section 3.2.2 of the Purchasing Policy approved by Council on November 10, 2020 under the authority of By-Law 2022-104, Council delegated its authority to General Managers to award all Requests for Tenders (RFT) and Requests for Proposals (RFP) with purchase amounts between \$50,000 and \$250,000 when all of the following conditions apply:

1. It is the lowest Tender meeting specifications, or the Proposal meeting the Price per Point methodology, and
2. The scope of the project has not changed from what was approved by Council, and
3. The amount of the Bid, plus all related costs, is within the approved allocations, and
4. Any contract not anticipated to be financed by debentures.

As outlined in Section 25.1.3 of CS-02, Purchasing Policy, a report to Council is required for approval if any of the required criteria as noted above is not met.

A detailed summary of the formal bidding opportunities has been provided as Attachment A to this report. All purchasing activity outlined in the attachment require award by Council.

The formal bidding opportunities outlined have been developed and issued in accordance with the Norfolk County Purchasing Policy and Procedures. The recommended bidder has been proposed on the basis of having submitted the lowest compliant bid that meets the minimum specification as outlined in Norfolk County Policy CS-02, Purchasing Policy, Section 4.4.

Financial Services Comments:

Previously Bid awards that did not fall within the authority of By-Law 2022-104 were presented to Council for consideration through individual reports. The simplified bid award report eliminates the need for individual reports and presents a summary of the various bid results for formal bidding opportunities that have closed for the period ending October 24, 2023.

The Bid awards summarized in Attachment A do not fall within the authority of By-Law 2022-104 for various reasons such as:

1. The amount of the Bid and all related costs may not be within the approved allocations.
2. Anticipated financing will be by debentures
3. The Bid award is over \$250,000
4. The Scope of the project may have changed.

For those Bids and related costs that are under the approved allocation, a positive financial implication will be realized. In addition, for any Bid and related costs that are over the approved allocations, recommendations for Council approval to amend the approved budgets along with recommended funding sources have been proposed.

It should be noted, budget amendments for funding shortfalls will have a negative impact on forecasted reserve balances and operating surpluses. In addition, given the cost increases, potentially future capital plans will need to be increased resulting in higher annual reserve contributions which will increase levy and rate requirements in order to sustain current infrastructure. Plus, future operating budgets will need to be increased for projects with no other available funding source except from the tax levy or rate requirement.

In an effort to minimize the impact of bid awards that are over budget, Financial Management & Planning (FMP) staff perform a detailed review of each bid and collaborate with staff from the issuing department to mitigate financial impacts. The steps taken include:

1. Identifying offsetting savings within another capital project, or operating budget line.
2. Reducing the scope to remain within budget.
3. Identifying other projects that are lower priority, with same funding source, to defer and re-budget in a future year.

These steps are taken before a budget amendment is recommended unless the overage is considered immaterial.

Interdepartmental Implications:

Consultation(s):

Director, Engineering; Manager, Asset Management; Director, Environmental Services; and Treasurer and Director, Financial Management and Planning were consulted in the preparation of this report.

Strategic Plan Linkage:

This report aligns with the 2022-2026 Council Strategic Priority Serving Norfolk - Ensuring a fiscally responsible organization with engaged employees who value excellent service.

Explanation:

This report supports the strategic plan as it allows the bids to be awarded and resulting contracts to be executed in a timely manner and contributes to fiscal responsibility for the organization in alignment with the goals of the Purchasing Policy.

Conclusion:

Staff are seeking approval to execute contracts with recommended bidders for the formal bidding opportunities that closed for the period ending October 24, 2023 through resolution of Council in accordance with Norfolk County Purchasing Policy and Procedures.

Attachment(s):

- Attachment 'A' - Summary of Bid Awards October 24, 2023
- Attachment 'B' - RFP Pre-established Criteria and Weighting EIS-AM-23-01

Approval:

Approved By:
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Reviewed By:
Amy Fanning
Treasurer and Director Financial Management and Planning

Reviewed By:
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