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## Council-In-Committee Meeting – June 11, 2024

Subject: Summary of Bid Awards for the Period Ending May 21, 2024  
Report Number: CS-24-077  
Division: Corporate Services  
Department: Purchasing Services  
Ward: All Wards  
Purpose: For Decision

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### Recommendation(s):

THAT Staff Report CS 24-077, Summary of Bid Awards for the period ending May 21, 2024, be received as information;

AND THAT the Director, Engineering be authorized to execute a contract with Neil Montague Construction Limited for Request for Tender **EIS-ENG-24-04 Zdriluk Drain Construction** in the amount of \$351,580 (excluding HST).

### 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 May 21, 2024. 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 requires 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 May 21, 2024.

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, future capital plans will need to be increased. Higher annual reserve contributions should be recommended accordingly in future budgets in order to sustain the current level of infrastructure, which would result in higher levy and rate requirements.

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.

It is important to note that additional financial comments which relate to each bid awarded in this report are included in the applicable entry on attachment A to this report.

#### **Interdepartmental Implications:**

#### **Consultation(s):**

Director, Engineering 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 May 21, 2024 through resolution of Council in accordance with Norfolk County Purchasing Policy and

Procedures.

**Attachment(s):**

- Attachment 'A' - Summary of Bid Awards Ending May 21, 2024

**Approval:**

Approved By:  
Heidy VanDyk  
General Manager, Corporate Services

Reviewed By:  
Amy Fanning, CPA  
Treasurer and Director Financial Management and Planning

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