



## Staff Report

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**Report To:** Dan Best, Chief Administrative Officer  
**From:** **Rebekah Msuya-Collison, Municipal Clerk**  
**Date:** November 19 2018  
**Report:** 33-2018  
**Subject:** Carroll Municipal Drain 2018 – Tender – Change of Contractor

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### **Recommendations:**

**That** South Huron Council receive the report from R. Msuya-Collison, re Carroll Municipal Drain Tender 2018 – Change of Contractor; and

**That** South Huron Council accept the withdrawal of tender from Parker & Parker Ltd, release the \$9,000 tender security back to Parker & Parker and rescind resolution 424-2018; and

**That** South Huron Council award the tender for construction of the Carroll Municipal Drain 2018 to A.G. Hayter Contracting Ltd. in the amount of \$89,420, plus non-recoverable HST.

### **Purpose:**

To award a tender for the Carroll Municipal Drain 2018 to the next lowest bidder at the request of the petitioning landowners so the project can be completed in 2018.

### **Background and Analysis:**

The Engineer's estimate for this project was \$86,161 plus HST. The following tenders were received and opened on July 25, 2018 for the above noted drain and were reviewed by Dietrich Engineering;

| Contractor                   | Total Cost  | Non-recoverable<br>HST | Total Cost<br>including HST |
|------------------------------|-------------|------------------------|-----------------------------|
| A.G. Hayter Contracting Ltd. | \$89,420.00 | \$1,573.79             | \$90,993.79                 |
| Parker & Parker Ltd.         | \$84,425.00 | \$1,485.88             | \$85,910.88                 |

South Huron Council passed resolution 424-2018 at the September 4, 2018 meeting and awarded the tender to Parker & Parker Ltd. in the amount of \$84,425 plus non-recoverable HST.

South Huron has been contact by Mike Veri and Richard Eisert, petitioning landowners for the Carroll Municipal Drain regarding the completion date of the construction project. Parker & Parker will keep the terms of the agreement however, they will not be constructing the drain in 2018. The landowners are requesting that the project be completed this fall as their fields no longer have crops.

Mr. Cook of Parker & Parker however; has agreed to withdraw his tender at the request of landowners providing it is agreed he is not in breach of his contract, his certified tender securities are returned and the withdrawal will not effect his bidding on future tenders. Parker & Parker made a bid that was accepted under the terms of completion being June 2019 and will keep to the terms of the agreement if Council does not accept their terms of withdrawal of their tender.

A.G. Hayter Contract Ltd. has confirmed that they will construct the Carroll Municipal Drain Project for their original tender construction costs of \$89,470. They have advised that they will have the project completed prior to December 31, 2018. South Huron still retains their certified cheque for securities but the contract, if awarded, will need to be signed.

### **Operational Considerations:**

There are no other operational considerations as a result of the actions outlined in this report.

### **South Huron's Strategic Plan:**

Section 6.2.2 of the Municipality of South Huron 2015- 2019 Strategic Plan

identifies key priorities and strategic directions. The following elements are supported by the actions outlined in this report:

- ✓ Administrative Efficiency and Fiscal Responsibility
- ✓ Transparent, Accountable, and Collaborative Governance

**Financial Impact:**

There are no other financial implications other than the difference in tender amounts as outlined in this report.

**Legal Impact:**

There are no legal implications as a result of the actions outlined in this report.

**Staffing Impact:**

There are no staffing implications as a result of the actions outlined in this report

**Policies/Legislation:**

Drainage Act

**Consultation:**

Dietrich Engineering Limited  
S. Becker, Director of Financial Services

**Related Documents:**

Staff Report 24-2018  
Dietrich Engineering – Email October 19, 2018  
Mike Veri – Email of October 11, 2018  
Richard Eisert – Correspondence of October 2, 2018  
A.G. Hayter Contracting Ltd. – Email of October 18, 2018  
Parker & Parker Ltd. (Cook) – Email of October 19, 2018

Respectfully submitted,

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**Rebekah Msuya-Collison, Municipal Clerk**