

Staff Report

| Report To: | Dan Best, Chief Administrative Officer | | |
|------------|--|--|--|
| From: | Don Giberson, Director of Infrastructure & | | |
| | Development | | |
| Date: | October 7 2019 | | |
| Report: | ESD.19.34 | | |
| Subject: | Tender Results for Huron Park Water Tower Rechlorination System | | |

Recommendations:

That South Huron Council receive the report from Don Giberson, Director of Infrastructure and Development RE: Tender Results for Huron Park Water Tower Rechlorination System AND;

That South Huron Council accept the tender received from the low bidder Straightline Group Inc. and authorize award of a contract for the Huron Park Water Tower Rechlorination System in the amount of \$64,500.00 (plus HST).

Purpose:

The purpose of this report is to notify Council of the results the replacement of the Huron Park water tower rechlorination system and to recommend award of a contract to the low bidder.

Background and Analysis:

The tender for the Huron Park Water Tower Rechlorination System was advertised on the Bids & Tenders on August 13, 2019.

Tenders closed on Thursday, September 12, 2019 at 2:00pm and three (3) tenders were received by the Municipality. Tenders were opened by Mayor George Finch in the presence of Maggie McBride, Financial Services Officer; Don Giberson, Director of Infrastructure and Development and several contractors.

The following are the tender results:

| Huron Park Water Tower Rechlorination System | | | | | |
|--|-----------------------------|-----------------|-------------|-----------------|--|
| | Contractor | Price | HST | Total Cost | |
| | | (Excluding HST) | | (Including HST) | |
| 1 | Straightline Group Inc. | \$64,500.00 | \$8,385.00 | \$72,885.00 | |
| 2 | Landmark Municipal Services | \$82,450.00 | \$10,718.50 | \$93,168.50 | |
| 3 | BGL Contractors Corp | \$87,200.00 | \$11,336.00 | \$98,536.00 | |
| | | | | | |

The tenders were checked and found to be complete and in conformance with the specifications.

Operational Considerations:

No alternatives were considered.

South Huron's Strategic Plan:

Section 6.2.2 of the Municipality of South Huron 2015- 2019 Strategic Plan identifies key objectives that are reflective of the collective perspectives of the strategic planning process.

The recommendations and actions outlined in this report are reflective of the following strategic objectives:

Administrative Efficiency and Fiscal Responsibility

Increased Communications and Municipal Leadership

Transparent, Accountable and Collaborative Governance

Dedicated Economic Development Effort

Financial Impact:

Costs associated with the supply of the Acoustic Sewer Assessment Device is included in the approved 2019 Capital Budget. A financial analysis of the tender received from the low bidder was carried out and is summarized as follows:

| Huron Park Water Tower Rechlorination System | | | | |
|--|-------------------|--|--|--|
| | Total | | | |
| Remove and replace rechlorination system | \$64,500.00 | | | |
| Engineering | <u>\$3,500.00</u> | | | |
| Subtotal | \$68,000.00 | | | |
| Non-recoverable HST | <u>\$1,196.80</u> | | | |
| TOTAL | \$69,196.80 | | | |
| | | | | |
| 2019 Capital Budget | \$50,000.00 | | | |
| Net Difference | -\$19,196.80 | | | |

The total cost, including non-recoverable HST, is more than the amount in the approved 2019 Capital Budget for this project. However, the amount that's over budget is offset by savings from other water capital projects that come in under budget, such as the rural watermain tender, which was \$287,570 under budget. The rural watermain project is now complete and futher savings of approximately \$50,000 were realized during construction.

Legal Impact:

There are no legal implications for the Corporation resulting from the proposed recommendation.

Staffing Impact:

There are no staffing implications for the Corporation resulting from the proposed recommendation.

Policies/Legislation:

1. Approved 2019 Water Capital Budget

2. South Huron Asset Management Plan

Consultation:

Shawn Young, Manager of Environmental Services

Related Documents:

None

Respectfully submitted,



Don Giberson, Director of Infrastructure & Development