

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 29, 2013

Item 4, Report No. 2, of the Finance and Administration Committee, which was adopted without amendment by the Council of the City of Vaughan on January 29, 2013.

4 DESIGN BUILD OF THORNHILL WOODS LIBRARY – WARD 4

The Finance and Administration Committee recommends:

- 1) That C1, Confidential Memorandum from the Acting Commissioner of Legal and Administrative Services and City Solicitor, dated January 18, 2013, be received; and**
- 2) That the recommendation contained in the following report of the Commissioner of Community Services, dated January 21, 2013, be approved:**

Recommendation

The Commissioner of Community Services, in consultation with the Director of Purchasing Services and the Chief Executive Officer of Vaughan Public Libraries provides the following recommendation on behalf of the Vaughan Public Library Board for Council's approval:

1. That the Board issue a new RFP for the Design Build of the Thornhill Woods Library; and,
2. That Council approves surplus funds from Vaughan Public Libraries' 2012 Operating Budget be included in the Thornhill Woods Library project budget; and,
3. Staff recommends that the upset amount be set at \$750,000 of the Library's 2012 unspent 2012 operating budget and be transferred as additional taxation funding to the Thornhill Woods Library capital project.

Contribution to Sustainability

This report is consistent with the priorities previously set by Council in the Green Directions Vaughan, Community Sustainability Environmental Master Plan, Goal 2, Objective 2.3:

- To create a City with sustainable built form.

Economic Impact

RFP11-444, Design Build Thornhill Woods Neighbourhood Library funding was approved in the 2011 Capital budget.

The 2012 Vaughan Public Library operating budget included \$680,446 for the operation of the Thornhill Woods Library, which was not spent as the library has not been constructed. As is noted on the item on today's agenda dealing with the City's 2012, 3rd quarter financial results, the Library has achieved an overall favourable variance, including unspent budget for the Thornhill Woods Library, of \$747,131 as of September 30th. The Library Board has requested that the 2012 unspent operating budget be transferred to the Thornhill Woods Library capital project as additional funding.

The one-time transfer of unspent 2012 funding of \$747,131 from the Library's operating budget to increase the budget for the Thornhill Woods Library construction will reduce the City's 2012 year end operating surplus. The City's year end final position is still undetermined, as accruals and final year end entries are not complete. As Council will recall, the 2013 proposed Operating budget includes a \$2.5M surplus carry forward from 2012. The favourable variance of \$2.7 million noted in the 3rd quarter variance report on today's agenda includes the Library's favourable

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 29, 2013

Item 4, Finance Report No. 2 – Page 2

variance of \$747,131. The transfer of the Library's 3rd quarter favourable variance would reduce the overall favourable variance to \$1.9 million, which is \$600,000 short of the required \$2.5 million for 2013.

Staff are confident that an additional \$600,000 in City wide savings will result from the last quarter of 2012, which will allow the City to achieve the \$2.5 million target. However, given the early stage of the overall year end process, staff recommend that the transfer to the Thornhill Woods Library capital project be limited to the 3rd quarter favourable variance of \$747,311, rounded up to \$750,000.

Communications Plan

Not applicable.

Purpose

The purpose of this report is to advise Council of the Vaughan Public Library Board's motion and obtain Council's approval to add the additional surplus funds for the construction of the Thornhill Woods Library previously approved by Council.

Background - Analysis and Options

This project is for the design and construction of a new neighbourhood library in Thornhill Woods, Block 10 to provide library services in a rapidly expanding and established community.

In the 2011 budget deliberations, Vaughan Public Libraries had funds approved by Council to construct a library as an addition to the North Thornhill Community Centre. The Vaughan Public Library Board directed staff to pursue a design build process to accelerate the project to build the library. Request for Proposal (RFP) 11-444 was released November 8, 2011 inviting bids from architect contractor teams to design and build this library. Stage One of the competition closed December 12, 2011. Bids from ten (10) proponents were evaluated and three (3) highest scores were identified and those bidders were prequalified to advance to Stage Two of the competition.

In Stage Two of the RFP process, the three (3) prequalified bidders were invited to submit detailed drawings to the Evaluation Committee by a March 13, 2012 closing date. All three (3) proposals received far exceeded the approved budget. As a result, Stage Two of the RFP 11-444 competition was cancelled in July 2012.

The scope of the project was then reduced and the three (3) prequalified bidders were invited to submit revised proposals to RFP 12-365. Only two (2) of the three (3) prequalified bidders submitted proposals before the closing date of December 6, 2012. Following a review by the Bid Review Committee composed of representatives from Purchasing, Legal, and Building and Facilities Departments and Vaughan Public Libraries, it was determined that one bid is a mandatory disqualification for an alteration/addition or qualifying statement and the other bid was rejected as the bidder is currently in litigation with the City, therefore the bidding process was cancelled as there were no compliant bids.

Staff reported the results to the Vaughan Public Library Board on January 17, 2012. Since there were no compliant proposals, the City does have the ability to initiate the RFP process again, or alternatively, to "single source", which is to negotiate with a particular supplier. During this meeting two (2) options were discussed:

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 29, 2013

Item 4, Finance Report No. 2 – Page 3

1. Pursue a single source provider of design build services.

Option 1 is to pursue the single source purchasing process of identifying one proponent; in this situation – one design build team, and entering into negotiations with them within defined parameter to design and construct the Thornhill Woods Library.

2. Initiate the entire RFP process again.

Option 2, the documents are completed and only require minor revisions. However, it is difficult to predict if those who have previously bid on this project and were eliminated, disqualified or rejected would resubmit a proposal to a new RFP. The concern is that they may be exasperated and decline to bid. Increasing the budget will help to attract additional bidders.

Relationship to Vaughan Vision 2020 / Strategic Plan

In consideration of the strategic priorities related to Vaughan Vision 2020, the project will provide:

- STRATEGIC GOAL:
Service Excellence – Providing service excellence to citizens.
- STRATEGIC OBJECTIVES:
Pursue Excellence in Service Delivery; and Enhance and Ensure Community Safety, Health and Wellness.

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated.

Regional Implications

N/A.

Conclusion

Staff are recommending approval of the Vaughan Public Library Board's motion. Since the Board's meeting was held on January 17, 2013, this item is being placed on the Finance and Administration Committee agenda as an addendum item. The recommendation will proceed to the Council meeting of January 29, 2013 for ratification. Once approved, staff will work on revising the bid documents and re-issuing the RFP for the Design Build of the Thornhill Woods Library. The results of that process and a recommendation for award will be brought back to Council for approval once the process concludes.

Attachments

Attachment # 1: Vaughan Public Library Board Motion, January 17, 2013.

Report prepared by:

Marlon Kallideen, Commissioner of Community Services, Ext. 8501

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)