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| Item # | 44 |
| Report No. | 30 (cw) |
| Council - June 24/14 | |

TO: HONOURABLE MAYOR AND MEMBERS OF COUNCIL

FROM: JOSEPH PITTARI, COMMISSIONER STRATEGIC AND CORPORATE SERVICES

DATE: JUNE 24, 2014

**SUBJECT: AWARD OF TENDER T14-024,
FATHER ERMANNO BULFON COMMUNITY CENTRE FITNESS EXPANSION AND
RENOVATION – WARD 2**

Recommendation:

The Commissioner of Strategic and Corporate Services, in consultation with the Commissioner of Finance, the Director of Purchasing Services, and the Director of Building and Facilities provides the following recommendation:

1. That Tender T14-024 for the expansion and renovation of the Father Ermanno Bulfon Community Centre (FEBCC) Fitness Expansion be awarded to Percon Construction, in the amount of \$2,780,000, plus applicable taxes; and,
2. That a 10% contingency allowance in the amount of \$278,000, plus applicable taxes be approved within which the Commissioner of Strategic and Corporate Services or his designate is authorized to approve amendments to the contract; and,
3. The Purchase Order 6494OS, issued to Alaimo Architecture Inc., be increased from \$88,160 to \$207,240; and,
4. That capital projects BF-8191-09 and BF-8382-12 be consolidated into capital project BF-8285-11; and,
5. That the above amount plus the applicable administration recovery fee be funded from capital budgets BF-8285-11; and
6. That the Mayor and Clerk be authorized to sign all documentation necessary to complete the contract.

Background:

The FEBCC Fitness Centre expansion will add approximately 7,500 Sq. Ft. of new building and renovate approximately 7,000 sq. ft. of the existing facility. It will renovate the fitness centre and pool change rooms, add a cycling room to the fitness centre, as well as create two multipurpose rooms.

Tender T12-364 for Architectural services closed on October 2, 2012, and Alaimo Architecture Inc. (AAI) was awarded the design contract being the lowest bidder on that tender. The design process that followed included consultation with the Public as well as staff from the Recreation and Culture Department.

The consultations with the public as well as relevant City Staff resulted in a significant development of project scope relative to the scope of work that was provided in T12-364. As a result, AAI had to invest a considerable amount of additional resources, which they could not have anticipated when they submitted their bid for the design of this project. Adding scope also

means that the overall duration of the project (design and construction) has been increased, which resulted in some ancillary disbursement costs. Based on the ongoing negotiations between the City and AAI, it is recommended at this time to increase AAI's Purchase Order by \$119,080, to \$207,240, plus all applicable taxes.

RFPQ14-051 for the prequalification of General Contractors was issued on February 18, 2014 and closed on March 4, 2014. Ten (10) General Contractors were prequalified for the construction phase of this project.

Tender T14-024 was issued to prequalified bidders on May 21, 2014, with a closing date of June 09, 2014, which was extended to June 18, 2014. The following six bids were received:

| Rank | Company | Total Amount (pre-tax) |
|------|---------------------------------|------------------------|
| 1 | Percon Construction Inc. | \$ 2,780,000.00 |
| 2 | Jasper Construction Corp. | \$ 2,962,000.00 |
| 3 | Steelcore Construction Ltd. | \$ 3,150,000.00 |
| 4 | Remo General Contracting Ltd. | \$ 3,157,000.00 |
| 5 | Dineen Construction Corporation | \$ 3,240,000.00 |
| 6 | Compass Construction resources | \$ 3,334,440.00 |

The lowest bidder, at \$2,780,000 is Percon Construction.

The following table provides the financial information:

| Financial Summary for T14-024 (Father Ermanno Bulfon Community Centre Fitness Expansion and Renovation-Ward 2) | |
|--|---------------------|
| Tender Cost T14-024 (excluding HST) | 2,780,000.00 |
| Contingency (10%) | 278,000.00 |
| 3% administration fees | 91,740.00 |
| Total Cost | 3,149,740.00 |
| Consolidated Budget*: | 3,849,778.00 |
| Less: Commitments/Expenses to Date | 182,849.00 |
| Future Commitment – PM Fees | 75,000.00 |
| Future Commitment – Commissioning | 50,000.00 |
| Increase to PO 6469OS | 119,080.00 |
| 3% administration fees | 12,807.67 |
| Total Available Funds from BF-8585-11 | 3,410,041.13 |
| Budget Remaining for future expenses | 260,301.13 |



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| Consolidated Budget*: | BF-8285-11 | BF-8191-09 | BF-8382-12 | BF-8285-11 Consolidated |
|---------------------------------------|--------------|------------|------------|----------------------------|
| Less: | | | | |
| Commitments/Expenses to Date | 3,638,578.00 | 123,600.00 | 87,600.00 | 3,849,778.00 |
| Future Commitment – PM Fees | 169,370.00 | 13,479.00 | | 182,849.00 |
| Future Commitment – Commissioning | 75,000.00 | | | 75,000.00 |
| Increase to PO 64690S | 50,000.00 | | | 50,000.00 |
| 3% administration fees | 119,080.00 | | | 119,080.00 |
| Total Available Funds from BF-8585-11 | 12,403.50 | 404.37 | | 12,807.87 |
| | 3,212,724.50 | 109,716.63 | 87,600.00 | 3,410,041.13 |

Communication prepared by:

Michael Shatil
Director, Building and Facilities

Respectfully submitted,

Per/ M. Pittari
Joseph Pittari, Msc
Commissioner, Strategic and Corporate Services