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Item #	<u>43</u>
Report No.	<u>30 (cw)</u>
<u>Council - June 24/14</u>	

TO: HONOURABLE MAYOR AND MEMBERS OF COUNCIL

FROM: JOSEPH PITTARI, COMMISSIONER STRATEGIC AND CORPORATE SERVICES

DATE: JUNE 24, 2014

**SUBJECT: BUDGET AMMENDMENT AND AWARD OF TENDER T14-172
KLEINBURG LIBRARY RENOVATIONS – WARD 1**

Recommendation:

The Commissioner of Strategic and Corporate Services, in consultation with the Commissioner of Finance, the Director of Purchasing Services, the Director of Building and Facilities, 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 Tender T14-172 for the renovations of the Kleinburg Library be awarded to JASS Construction, in the amount of \$889,950, plus applicable taxes; and,
2. That a 15% contingency allowance in the amount of \$133,492, 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. That the above amount plus the applicable administration recovery fee be funded from capital budget BF-8269-10, Kleinburg Library Renovations; and,
4. That the capital budget be increased by \$381,412 and be funded from the Building and Facilities Infrastructure Reserve; and
5. That the inclusion of this matter on a Public Committee or Council agenda with respect to amending the capital budget identified as Budget Amendment and Award of Tender T14-172, Kleinburg Library Renovations – Ward 1 is deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002 as amended.
6. That the Mayor and Clerk be authorized to sign all documentation necessary to complete the contract.

Background:

In June 2013, the Vaughan Public Library (VPL) Board endorsed the Nino Rico Architect plan for the renovation of the Kleinburg Library, utilizing the approved 2013 capital budget of \$750,000, fully funded from the Building & Facilities Infrastructure Reserve.

On September 13, 2013, the tender for the renovation closed with 12 submissions, all of which were substantially over budget, with the lowest bidder at \$1,042,990 (net of contingency and applicable taxes).

Further to consultations and meetings between staff from VPL and Building and Facilities (B&F), and Nino Rico Architect, the project underwent a redesign to reduce scope where possible, while retaining essential structural repair work and the necessary renovations. Further to completing

The redesign, a professional cost estimator (A.W. Hooker) was contracted to provide a pre-tender estimate of the redesigned scope of work.

On January 21, 2014 A.W. Hooker provided the pre-tender cost estimate. Based on the cost estimate, staff identified a shortfall of up to \$400,000 in the project's funding.

On February 7, 2014 staff from VPL and B&F met with Nino Rico Architect to explore options for further scope reductions in order to attempt a further reduction in estimated project costs. Following the meeting, it is the opinion of staff and Nino Rico Architect that further scope reductions are not feasible.

On February 20, 2014, the VPL Board passed a motion that the Board supports a report being submitted to Council as soon as possible requesting additional funding for the project, and the reasons for the request.

On March 3, 2014, Staff provided a report to the Finance, Administration and Audit Committee, in which the Committee was advised of the anticipated \$400,000 budget shortfall. Staff recommended that the project be tendered, and that staff report back to Committee and Council with an award report and a recommendation to increase the project's budget.

Tender T14-172 was issued on May 28, 2013, with a closing date of June 11, 2014, which was extended to June 13, 2014. The following eight (8) bids were received:

Rank	Company	Total Bid Price
1	Jass Construction	\$ 889,950.00
2	Euro Group Ltd.	\$ 943,444.30
3	Canada Construction Limited	\$ 954,238.00
4	Anacond Contracting Inc.	\$ 1,042,000.00
5	Brown Daniels Associates Inc.	\$ 1,191,075.00
6	Jasper Construction Corp.	\$ 1,192,000.00
7	Alpeza General Contracting Inc.	\$ 1,261,680.00
8	R.O.M. contractors Inc. o/a Ross Clair Contractor	\$ 1,496,000.00

The lowest bidder, at \$889,950 is JASS Construction. Due to the age of the building, and the issues discovered during the design phase, staff recommends a 15% contingency, in the amount of \$133,492.

The following table provides the financial information, and quantifies the amount of additional funding necessary to complete this project:

Financial Summary-LI-4538-13 (Kleinburg Library Building Repairs/Improvements – Ward 1)	
Tender Cost T14-172 (excluding HST)	889,950.00
Contingency (15%)	133,492.50
HST (1.76%)	18,012.59
3% administration fees	<u>31,243.65</u>
Total Cost	1,072,698.74
BF-8269-10 Budget	750,000.00
Less: Commitments/Expenses to Date	57,002.79
3% administration fees	<u>1,710.08</u>
Budget remaining in BF-8269-10	691,287.13
Budget Remaining for future expenses	(381,411.61)

The funding shortfall, in the amount of \$381,412 will be funded from the Building and Facilities Infrastructure Reserve.

At its June 19, 2014 meeting, the Vaughan Public Library Board provided the following Motion:

MOTION: THAT the Vaughan Public Library Board approve the award of tender T14-172 for renovations to Kleinburg Library for an amount not to exceed \$1,200,000, to be funded from the Building & Facilities Infrastructure Reserves,

AND THAT the Vaughan Public Library Board's recommendation be forwarded to the City of Vaughan Council for approval.

MOVED BY: R. DeFrancesca
 SECONDED BY: M. Di Biase
 MOTION CARRIED.

Communication prepared by:

Michael Shatil
 Director, Building and Facilities

Respectfully submitted,

Per/ [Signature]
 Joseph Pittari, MSc
 Commissioner, Strategic and Corporate Services