

# STAFF REPORT

**Department: Public Works**

**Date: February 22, 2024**

**Item: Public Works Office Renovation Tender Award**

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**Recommendation:** Be It Resolved That: Council award the tender for the Public Works Front Office Renovation Project (AODA) to Quantum Builders Inc. in the amount of \$952,184.62 plus HST.

**Background:** In 2005, the Province of Ontario enacted the "Accessibility for Ontarians with Disabilities Act" (AODA). The AODA's key purpose is "Developing, implementing and enforcing accessibility standards in order to achieve accessibility for Ontarians with disabilities with respect to goods, services, facilities, accommodation, employment, buildings, structures, and premises on or before January 1, 2025." The Public Works (PW) Office must comply with the Accessibility Standards (barrier free) by January 1, 2025.

Detailed design of the renovation/addition was completed by Perry & Perry Architects Inc. in late 2023. At the January 9, 2024 Regular Meeting of Council, PW was approved to tender for construction prior to 2024 Municipal budget adoption. It was important to begin the tender process early in the calendar year to secure a contractor and complete construction prior to the fall when we need to be moved-in for next winter season.

The tender was released on January 18, 2024 with a closing date of February 8, 2024. Multiple bidders requested an extension, which was granted to Wednesday February 21, 2024.

Bids were received from 4 general contractors ranging from \$952,184.62 plus HST to \$1,365,657.45 plus HST. The lowest bidder meeting the specification requirements is Quantum Builders Inc. at \$952,184.62 plus HST.

**Bid Results (plus HST)**

Quantum Builders Inc.	-	\$952,184.62
Build North Construction Inc.	-	\$1,151,153.64
Lignum Builders Ltd.	-	\$1,190,000.00
Reasbeck Construction inc.	-	\$1,365,657.45



## Analysis:

### **Budgetary**

The previous budget figures presented to Council estimated the **construction portion** of the project to be \$784,161.04 plus HST. The low bid of \$952,184.62 is \$168,023.58 over that budget estimate. Perry & Perry Architects Inc. based their estimate on other projects they had been working on in 2023.

There are other costs that combine with the construction portion to form the **total project cost**. They include professional fees (engineering), furnishings & equipment allowance, temporary facilities (site trailers for office, changeroom and washrooms), PW labour for moving out and back into the office as well as a small project contingency. After adjusting several of these #'s to attempt to reduce costs, we have arrived at a total project cost for 2024 of \$1,154,606.62 plus HST. The previous total project cost presented to Council prior to tendering in January this year was \$1,051,834.50 plus HST, but that amount included \$40,000 of costs that were associated with 2023 detailed design work. The **total project cost exceedance** for 2024 is therefore \$142,772.12 plus HST or 13.6%.

### **Summary**

Having received 4 bids that are all over-estimate indicates that the costs of construction are rising quickly. Tendering early in the calendar year typically results in the best value as general contractors are attempting to secure larger construction contracts for the season. Although the project cost has increased, we do not have much leeway to delay award and maintain our schedule of occupancy this fall.

Public Works has worked with Quantum Builders on several projects including the Cemetery Garage Construction in 2013, multiple roof shingle replacements, shop floor drain installation at PW as well as shade bench installations at the Heritage and Pinegrove Parks. Their work has always met our expectations and I have no hesitation in recommending the award of this contract to them.

**Existing Policy:** Procurement of Goods Policy F17-01325, section 5.2 Request for Tender.

**Strategic Goal:** #6 Town Government, Planning for future facility needs.

**Financial Commitment:** \$952,184.62 plus HST for the construction tender.

**Budgeted:** Yes  No

**Implementation:** Award contract immediately following Council approval.



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**Prepared By:** Dave Parker, Superintendent of PW

**Department Manager:** Same

**CAO/Clerk:** Joseph Burke

**Approval of Recommendation:** Yes  No

**Comments:** This project is a critical need to ensure the Town meets AODA requirements and in turn that as an employer, the Town provides an adequate and accessible workspace for our employees. This project was specifically identified and mentioned as a priority in the Town's recently adopted Strategic Plan. As part of the coming budget presentations, \$200,000 was placed in reserve last year for this project with the remaining amount to be pulled from general reserves this year and from the 2024 levy. The breakdown of those amounts will be determined as part of the budget process in March/April.