



The Corporation of the Town of Tecumseh

Chief Administrative Officer

To: Mayor and Members of Council
From: Margaret Misek-Evans, Chief Administrative Officer
Date to Council: November 12, 2019
Report Number: CAO-2019-10
Subject: Town Hall Expansion – Tender Award

Recommendations

It is recommended:

That the tender for the Town Hall Expansion in the amount of \$2,807,000 excluding HST **be awarded to Elmara Construction Co. Ltd.** and that the Mayor and Clerk be authorized to execute an agreement, satisfactory in form to the Town's Solicitor, with **Elmara Construction Co. Ltd.;**

And that project funding allocations be as follows:

a. Tax Rate Stabilization Reserve	\$ 1,200,000
b. Infrastructure Reserve	\$ 2,070,000
c. Building Lifecycle Reserve	\$ 91,435
d. <u>Municipal Modernization Fund</u>	\$ 75,000
	\$ 3,436,435

And further that the Municipal Modernization Funding amount of \$50,000 previously allocated to Corporate Dashboard Reporting be reallocated to the Town Hall Expansion.

Background

In 2005, Town Hall underwent an extensive renovation where the entire building interior was removed and replaced with the existing floor plan and departmental layout. The goal in 2005 was to accommodate staff and meeting space within the existing building footprint for a 10 year period. The cost of this renovation at that time was approximately \$1.5M.

Comments

A Tender call for the Project was posted on the Town’s website on October 11, 2019 and 12 tenders were received by the Purchasing Officer on November 7, 2019. Further to advice received from Archon, the timing of the release of the tender has provided great interest with 12 proponents and favourable pricing. The Tenders were opened publicly in Council Chambers in the presence of Administration.

Archon has reviewed the tenders and provided the attached report. The tender results are summarized as follows:

Tenderer	Total Tender Price (excluding HST)
Elmara Construction Co. Ltd.	\$2,807,000
Front Construction Industries Inc.	\$3,018,000
Gulf Developments Inc.	\$2,949,086
Intrepid General Limited	\$3,048,118
Matassa Incorporated	\$2,902,500
Oscar Construction	\$3,116,989
Sterling Ridge General Contracting Inc.	\$3,021,000
TCI Titan Contracting Inc.	\$3,049,715
Valente Contracting Inc.	\$3,437,500
VanHorne Construction Inc.	\$3,522,448
Vince Ferro Construction Ltd.	\$2,848,620
Wincon Construction 1986 Ltd.	\$3,122,061

Proponents also submitted alternative pricing for two large folding doors at the rear of the existing council chambers opening into a new lobby. The price for this added work provided by Elmara Construction Co. Ltd. was \$179,540 excluding HST. It is the recommendation of the project committee (see attached committee structure) that this feature not be added to the project and instead fixed glass windows will be built in the rear wall of council chambers. Since amalgamation there have been few occasions where extra seating in council chambers has been warranted and with the new lobby design and newly introduced webcasting, this lobby will serve as an area for overflow attendees to follow meeting proceedings on various video screens in addition to seeing through the glass windows.

There were no major inconsistencies, omissions or unbalanced pricing found in any of the tenders.

Based on their low tender submission and subsequent discussions, Administration, in consultation with Archon, recommends that Council award the tender for the Town Hall Expansion in the amount of \$2,807,000, excluding HST to **Elmara Construction Co. Ltd.** and that the Mayor and Clerk be authorized to execute an agreement, with **Elmara Construction Co. Ltd.**

Construction will begin after the Christmas in Tecumseh event on November 22, 2019.

Consultations

All Departments

Financial Implications

CAO Report No. 2019-03 approved at the February 26, 2019 Regular Council Meeting set an estimated project cost of \$3.15M. Since that time, funds were also allocated for this project as part of the Municipal Modernization Fund. The current estimates require Council approval for an additional \$211,435 in funding as detailed below.

Municipal Modernization Funding – Town Hall Expansion

Solar tubes	\$25,000
Corporate Dashboard Reporting (reallocated)	\$50,000
	\$75,000

Project Funding

Funding Source	Previously Approved	New Approval Required	Total
Municipal Modernization Fund	\$25,000	\$50,000	\$75,000
Tax Rate Stabilization Reserve	\$1,200,000		\$1,200,000
Infrastructure Reserve	\$1,950,000	\$120,000	\$2,070,000
Building Lifecycle		\$ 91,435	\$91,435
Total Project Funding	\$3,175,000	\$261,435	\$3,436,435

Estimated Project Costs

	Amount
Elmara Construction Co. Ltd.	\$2,807,000
Professional Fees (Architect, Engineers, etc)	\$161,000
Project Contingency (11%)	\$309,000
New Furniture / Information Systems	\$100,000
Non-recoverable HST	\$59,435
Total	\$3,436,435

Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that Tecumseh’s current and future growth is built upon the principles of sustainability and strategic decision-making.
<input checked="" type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh’s plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town’s “continuous improvement” approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town’s leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

Communications

Not applicable

Website

Social Media

News Release

Local Newspaper

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Shaun Fuerth, BCS
Director Information & Communication Services

Reviewed by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
1	Letter from Archon Architects
2	Project Committee Structure