



## The Corporation of the Town of Tecumseh

Community & Recreation Services

**To:** Mayor and Members of Council

**From:** Beth Gignac, Director Community & Recreation Services

**Date to Council:** June 27, 2023

**Report Number:** CRS-2023-12

**Subject:** Cada Library Renovation Project – Tender Award

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### Recommendations

It is recommended:

**That** the tender of the Cada Library Renovation Project in the amount of \$1,234,185 (excluding HST) **be awarded** to Vince Ferro Construction Ltd;

**And that** By-law 2023-75 be given first, second, third and final reading, **to authorize** the Mayor and Clerk to execute an agreement, satisfactory in form to the Town's Solicitor, with Vince Ferro Construction Ltd;

**And further that** the total budget requirement of \$1,234,185, which includes an increase in the amount of \$234,185, **be approved** for funding from the Lifecycle Building Reserve (LC);

**And furthermore, that** Administration **be authorized** to establish a Memorandum of Understanding for cost sharing between the Town of Tecumseh and the Essex County Library Board as follows:

- \$879,136.60 Town of Tecumseh
- \$376,772.00 Essex County Library

## Background

At the June 28, 2022 Regular Meeting of Council, funding of \$1M was approved in the Municipal Buildings 2022-2026 Five (5) Year Capital Works Plan Report (RCM 139/22) [CRS-2022-11](#).

At the December 13, 2022 Regular Meeting of Council, funding of \$1M was again approved in the Municipal Buildings 2023 – 2027 Five (5) Year Capital Works Plan and as set out in (RCM 266/22) Report [CRS-2022-19](#) for the renovation project of the Cada Library building.

Following various stages of design development that included discussions and consultations with the Town and County of Essex Library Board administration along with community stakeholders, a conceptual design had been formalized and presented publicly. This design focusses on revitalizing the interior of the Cada Library and received positive feedback.

At the February 14, 2023 Regular Meeting of Council, Council approved the recommendations (RCM 30/23) as set out in Report [CRS-2023-01](#) Cada Library Renovation – Final Concept Design.

The interior renovation plan will improve the functionality of the overall space through renewed performance and accessibility upgrades while modernizing the interior. As a reference, highlights of the renovation are displayed through the interior renderings included in Attachment 1.

## Comments

A Tender call was advertised on the Town’s website and Bids and Tenders account on May 12, 2023. In response, a total of seven (7) proponents submitted a proposal, which were virtually opened in the presence of the Purchasing Officer.

Administration, in conjunction with the architect, reviewed all submitted proposals and determined that all the proponents demonstrated an ability to satisfy the contract. The tender results are included in Attachment 2 and summarized as follows:

<b>Tenderer</b>	<b>Total Tender Price (excluding HST)</b>
Vince Ferro Construction Ltd.	<b>\$1,234,185.00</b>
Valente Contracting Ltd.	\$1,262,000.00
Barrinetti Construction	\$1,320,000.00
RC White Ltd.	\$1,349,999.00

Greenlight General Contracting	\$1,398,000.00
Gulf Development Inc.	\$1,733,489.04
Alliance General Contracting	\$1,783,987.00

All Tenderers submitted the required Bid Bond.

Based on the review of all tender submissions and relative previous experiences, Administration, in consultation with Archon Architects, recommends that Council award the tender for the Cada Library Renovation Project, in the amount of \$1,234,185 (excluding HST), to Vince Ferro Construction Ltd., and that the Mayor and Clerk be authorized to execute an agreement, satisfactory in form to the Town's Solicitor, with Vince Ferro Construction Ltd.

Some project elements had been adjusted as set out in Report CRS-2023-01 Cada Library Renovation – Final Concept to deliver a project within the Council approved budget of \$1M. This adjustment to the project scope was intended to influence the overall cost and included an allowance for inflation on materials and construction along with a contingency.

However, recent trends in the reduced availability of skilled trades workers combined with increases in cost of materials have impacted the project's overall cost. These factors, combined with a construction price index of over 15%, have resulted in an increase in overall construction and material costs.

## Consultations

Financial Services  
Essex County Library  
Archon Architects Incorporated

## Financial Implications

The total tendered/project cost is over the \$1M budget by \$234,185 (excluding non-rebated HST).

The tendered/projected costs are summarized below:

Cost Item	Amount
Construction (tender)	\$1,134,185.00
Inspection and Testing Allowance	\$5,000.00

Hardware Allowance	\$25,000.00
Contingency Allowance	\$70,000.00
Sub-total	\$1,234,185.00
Non-rebated HST (1.76%)	\$21,721.66
<b>Total</b>	<b>\$1,255,906.66</b>

Both the Town and the Essex County Library had a shared commitment to contribute financially towards the \$1M project budget whereby the Town would be responsible for \$700,000 (70%) and the Essex County Library Board for \$300,000 (30%), exclusive of any additional equipment and furnishings.

Due to the project budget overage, the financial contributions will be revised whereby the Town will be responsible for \$879,136.60 (70%) and the Essex County Library Board for \$376,772.00 (30%). Accordingly, Administration seeks authorization from Council to pursue a memorandum of understanding with the Board for their contribution.

Given that the project is considered a substantial enhancement of an existing asset, it had been planned that \$580,000 will be drawn from the Town's Infrastructure Reserve (also known as the New Infrastructure Levy or NIL) and the remaining \$120,000 will come from a reserve of Town funds held in trust by the County for library purposes.

Due to budget overages based on the tender bid submissions that were received and as indicated, adjustments are required to the utilization of reserve funding to offset the funding shortfall as detailed in the table below.

<b>Cost Item</b>	<b>Amount</b>
Lifecycle Building Reserve (LC)	\$176,134.66
Infrastructure Reserve	\$580,000.00
Town Library Reserve (held in trust ECL)	\$120,000.00
Essex County Library	\$376,772.00
<b>Total</b>	<b>\$1,255,906.66</b>

## 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 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:

Daniel Wolicki  
Manager Facilities & Energy Management

Reviewed by:

Beth Gignac, BA Hons  
Director Community & Recreation Services

Reviewed by:

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

Recommended by:

Margaret Misek-Evans, MCIP, RPP  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
1	CADA Library Renovation – Interior Renderings of Final Concept Design
2	Summary of Tender Results – CADA Library Renovation Project