



Report to: General Committee

Meeting Date: May 21, 2019

SUBJECT: Staff Awarded Contracts for April 2019
PREPARED BY: Alex Moore, Ext. 4711

RECOMMENDATION:

1. THAT the report entitled "Staff Awarded Contracts for the Month of April 2019" be received; and
2. That Staff be authorized and directed to do all things necessary to give effect to this resolution

PURPOSE:

Pursuant to Part III section 15 of the Procurement Bylaw (No. 2017-8), passed by Council on March 21, 2017, a report shall be submitted to Council on a monthly basis to advise of awarded contracts greater than \$50,000.

This report advises Council of all contracts, awarded by the Chief Administrative Officer or Commissioners, or Directors with a total cost exceeding \$50,000 for the month of April 2019.

BACKGROUND:

The Procurement By-Law delegates authority to staff to award contracts if the contract award meets specific criteria. The following chart outlines the contract award approval authority:

Dollar threshold	Within Criteria*	Outside Criteria*
\$50,000 or greater, but less than \$100,000	Director	Commissioner
\$100,000 or greater, but less than \$350,000	Commissioner	CAO
\$350,000 or greater	CAO	Council

* If one (1) of the below noted criteria is not met then the contract award is identified as outside criteria and the approval authority.

- The Contract Award is to the lowest priced or highest ranked (as applicable), compliant Bidder.
- The expenses relating to the goods/ services being procured are included in the budget (Operating/Capital).
- The Contract Award is within the approved budget.
- The term of the Contract is for a maximum of four (4) years.
- There is no litigation between the Successful Bidder and the City at the time of Contract Award.
- There is no disqualified Bidder (which disqualified Bidder is also the lowest priced or highest ranked Bidder (as applicable) pursuant to the Quotation process) at the time of Contract Award.

RECOMMENDED BY:

Joel Lustig, Treasurer

Trinela Cane,
Commissioner, Corporate Services

Staff Awarded Contracts for the Month of April 2019

Number	BMFT Objective	Description	Award Details	Commission
1	Engaged, Diverse and Thriving City	065-T-19: Cornell Neighbourhood Park and Woodlot - Construction	Lowest Priced Bidder	DS
2	Safe & Sustainable Community	014-T-19 Supply, Install and Warranty of 724 various Trees	Lowest Priced Bidder	C&FS
3	Safe & Sustainable Community	015-T-19 Tree Stumping	Lowest Priced Bidder	C&FS
4	Safe & Sustainable Community	054-T-19 - Rehabilitation of Two Culverts	Lowest Priced Bidder	C&FS
5	Safe & Sustainable Community	019-S-19 Recycling Depot Staffing	Non-Competitive Bidder	C&FS
6	Safe & Sustainable Community	068-S-19 Smart Commute Program for Markham - Richmond Hill	Non-Competitive Bidder	DS
7	Safe & Sustainable Community	036-Q-19 Supply and Delivery of Pool Chemicals	Lowest Priced Bidder	C&FS
8	Stewardship of Money and Resources	133-R-12 Labour and Employment Law Legal Services - Contract Extension	Non-Competitive Bidder	CAO
9	Stewardship of Money and Resources	047-T-19 Audio Consoles & Microphone Replacement for the Flato Markham Theatre	Lowest Priced Bidder	DS

STAFF AWARD REPORT

To:	Andy Taylor, Chief Administrative Officer
Award:	065-T-19: Cornell Neighbourhood Park and Woodlot - Construction
Date:	April 15, 2019

BID INFORMATION

Bid closed on	April 11, 2019
Number picking up document	18
Number responding to bid	11

BACKGROUND

The scope of work consists of the following: temporary construction fencing, site preparation and grading of site, top soiling of site, planting and sodding, concrete curbs, asphalt paving /walkways, lighting and electrical service, site furnishings, playground equipment, shade structure and dog park. The tender specified that the contractor will complete this park by June 2020.

RECOMMENDATION

Recommended bidder	Loc Pave Construction Limited (lowest priced bidder)	
Current budget available	\$ 996,800.00	081-5350-19026-005 "Cornell Neighbourhood Park and Woodlot – Construction"
Less cost of award	\$ 837,179.52 <u>\$ 58,602.57</u> \$ 895,782.09 <u>\$ 80,620.39</u> \$ 976,402.47	Construction Contingency (7%) Total (Inclusive of HST) Internal Management Fee @ 9% Total Cost of Award (Inclusive of HST)
Budget remaining after this award	\$ 20,397.53	*

*The remaining budget in the amount of \$20,397.53 will be returned to the original funding source.

OPERATING BUDGET AND LIFE CYCLE IMPACT

The incremental operating budget impact is \$24,513 which will be included in the 2020 Operating budget, subject to Council approval. The Operations Department has reviewed the project and the future maintenance requirements. Future requirements for Cornell Neighbourhood Park and Woodlot includes grass cutting, litter pick-up, garbage disposal and inspections.

The estimated life cycle impact is \$716,626 over the next 25 years. Staff will update the Life Cycle Reserve Study at the next update to incorporate the various components of the park.

ENVIRONMENTAL CONSIDERATIONS

Included Specification Section 01561 – Environmental Protection in the contract documents in order to meet or exceed regulatory environmental procedures during construction:

- Park grading is designed to minimize the amount of import and/or export of soils;
- Plant materials (i.e. shrubs and trees are non-invasive and many of which are native species).

#2

**STAFF AWARD REPORT**

To:	Brenda Librecz, Commissioner – Community & Fire Services
Award:	014-T-19 Supply, Install and Warranty of 724 various Trees
Date:	March 28, 2019

BID INFORMATION

Bid closed on	March 8, 2019
Number picking up bid document	9
Number responding to bid	8

RECOMMENDATION

Recommended bidder	Salivan Landscape Ltd. (lowest priced bidder)	
Current budget available	\$280,000.00	700-101-5399-19199 Replacement/New Boulevard/Park Trees
Less cost of award	\$251,586.34	Total Cost of Award
Budget remaining after this award	\$ 28,413.66	*

* There is currently a backlog of 1,271 vacant tree sites (724 of the 1,271 sites will be addressed through this award), due to favourable pricing, the remaining budget in the amount of \$28,413.66 will be used to plant additional trees.

OPERATING BUDGET AND LIFE CYCLE IMPACT

There is no incremental impact to the operating budget and the Life Cycle Reserve Study.

ENVIRONMENTAL CONSIDERATIONS

Trees produce oxygen and remove carbon dioxide and contaminants from the air. Additionally, they provide habitat for birds and other wildlife.

#3

**STAFF AWARD REPORT**

To:	Brenda Librecz, Commissioner, Community & Fire Services
Award:	015-T-19 Tree Stumping
Date:	March 19, 2019

BID INFORMATION

Bid closed on	March 12, 2019
Number picking up bid document	14
Number responding to bid	12

RECOMMENDATION

Recommended bidder	MapleGreen Tree Services Inc. (lowest priced bidder)	
Current budget available	\$105,000.00	700-101-5399-19199 Replacement / New Boulevard / Park Trees
Less cost of award	\$ 68,980.05	2019 – Year 1 (Inclusive of HST)
	\$ 68,980.05	2020 – Year 2 (Inclusive of HST)*
	\$ 68,980.05	2021 – Year 3 (Inclusive of HST)*
	<u>\$ 68,980.05</u>	2022 – Year 4 (Inclusive of HST)*
	\$280,086.60	Total Cost of Award
Budget remaining after this award	\$ 36,019.95	**

* The contract term is for one year with an option to renew for three additional one-year periods. The price will remain fixed for the first two years. The remaining two years will be subject to an annual price increase based on the Consumer Price Index for All Items Canada for the twelve month period ending September 30 in the applicable year. Years 2-4 are subject to Council approval of the 2020-2022 budgets.

Note: The award amount is based on stump grinding approximately 1,100 stumps.

** There are currently 1,410 outstanding stumps in the City (1,100 of the 1,410 stumps will be addressed through this award), due to favourable pricing the remaining budget in the amount of \$36,019.95 will be used for additional tree stumping.

OPERATING BUDGET AND LIFE CYCLE IMPACT

There is no incremental impact to the operating budget and Life Cycle Reserve Study.

ENVIRONMENTAL CONSIDERATIONS

Tree stump removal in order to replant in locations where trees have previously been removed is a vital component to tree canopy revitalization in the City of Markham. As the City continues to regain lost canopy from EAB and look towards canopy growth, an aggressive growth mandate can only be achieved with a focus on tree replacement.

#4

**STAFF AWARD REPORT**

To:	Brenda Librecz, Commissioner, Community & Fire Services
Award:	054-T-19 - Rehabilitation of Two (2) Culverts
Date:	April 17, 2019

BID INFORMATION

Bid closed on	April 2, 2019
Number picking up document	12
Number responding to bid	7

BACKGROUND

The rehabilitation of two (2) culverts (C016 & C046). This project will be completed by November 30, 2019.

RECOMMENDATION

Recommended bidder	A2Z Civil 2608558 Ontario Limited (lowest priced bidder)	
Current budget available	\$259,332.79	058-6150-18266-005 Culverts Rehabilitation
Less cost of award	\$233,738.65	Cost of Award (Incl. of HST)
	<u>\$ 23,373.86</u>	Contingency (10%)
	\$257,112.51	Total Award Inclusive of HST
Budget remaining	\$ 2,220.28	*

*The remaining balance of \$2,220.28 will be returned to the original funding source.

OPERATING BUDGET AND LIFECYCLE IMPACT

The 2019 Life Cycle Reserve Study includes \$1.34 M for the replacement/ rehabilitation of the two (2) culverts over the next 25 years until 2044. There is no incremental operating budget impact.

ENVIRONMENTAL CONSIDERATIONS

The construction timing will be between after July 1st in order to comply with TRCA/MNRF fisheries time window.

#5

**STAFF AWARD REPORT****Page 1 of 2**

To:	Andy Taylor, Chief Administrative Officer
Re:	019-S-19 Recycling Depot Staffing
Date:	February 20, 2019
Prepared by:	Claudia Marsales, Senior Manager, Waste Management & Environmental Management Ext. 3560 Tony Casale, Senior Construction Buyer Ext. 3190

PURPOSE/BACKGROUND

To obtain approval to extend the contract for recycling depot staffing from May 1, 2019 to December 31, 2020 at the following depots:

- Thornhill
- Markham Village
- Unionville
- Milliken

The scope of work includes:

- Receiving recyclables, textiles and household goods from City of Markham residents;
- Selling and replacing green bins, blue bins, kitchen catchers and recycling bags;
- Reporting of all sales, visitor data, supply requests, equipment issues and any health & safety-related issues;
- Basic site maintenance (i.e. shoveling, sweeping, salting, tidying, organizing, etc.);
- Scheduling, managing and payroll of staff for the operation of the four recycling depots.

RECOMMENDATION

Recommended bidder	The Recycle People Corp. (Non-Competitive Procurement)	
Current budget available	\$109,627.00	Various accounts (See Financial Considerations)
Less cost of award	\$109,626.00	May 1, 2019 – December 31, 2019 (Incl. of HST)
	<u>\$168,133.88</u>	January 1, 2020 – December 31, 2020* (Incl. of HST)
	\$277,759.93	Cost of Award
Budget remaining after this award	\$ 0.00	

*The 2019 Operating Budget has been adjusted to reflect the contract award, subject to Council approval of the 2019 and 2020 operating budgets.

Staff further recommends:

That the City's tendering process be waived in accordance with Purchasing By-Law 2017-8, Part II, Section 11.1, item (b) which states "where there is only one source of supply for the goods to be purchased" and (c) "when the extension of an existing Contract would prove more cost-effective or beneficial;

OPTIONS/DISCUSSIONS

The 2017 bankruptcy of Goodwill's GTA operations had a direct impact on Markham's recycling depot operations. Prior to the bankruptcy, Goodwill provided staffing support at both the Markham and Thornhill Depots. The bankruptcy resulted in an unanticipated increase in both staffing costs and service requirements. In 2017-18, Waste Management staff conducted an extensive operational and customer service review of Markham's four recycling depots, which resulted in recommending a fully outsourced business model to improve cost efficiencies and customer service.

Currently, Markham's four recycling depots use a combination of permanent part-time, contract part-time City staff, and an outsourced vendor. The outsourced vendor operates at the Thornhill Recycling Depot location and through this report; Staff are recommending the operations of all four depots be 100% outsourced to the Recycle People Corp.

019-S-19 Recycling Depot Staffing**Page 2 of 2**

As outlined below, Staff have identified a number of benefits an outsourced vendor has in comparison to City staff:

- Reduced administration of depot staff (i.e. scheduling, payroll, supervision)
- Reduced human resource administrative requirements (i.e. mediating staff disputes, training) and future liabilities
- More flexibility in staffing hours
- Reduced Workers Compensation Benefits liabilities/risk
- Addresses difficulty in attracting/retaining staff

Recycle People Corp. have a strong understanding of the City's requirements and are familiar with the expected service levels at the recycling depots. As well, Staff conducted a cost benefit analysis, which supported this recommendation. The Recycle People Corp. have also exhibited full comprehension of the City's Health & Safety policies and procedures and currently hold an exemplary safety record.

Additionally, they offer the most efficient method to transition to a fully contracted-out model. Other potential contractors would require additional time and resources to become fully acquainted with the prescribed scope of work, which would potentially result in higher costs to the City. Moreover, Staff are unaware of any other vendor, which provides this type of specialized service.

Since Recycle People Corp. are increasing their contract value from one location to four locations, Staff leveraged the volume increase and negotiated a decrease in the hourly rate from \$25.44/hour to \$21.37/hour.

In addition, the contract will shift staffing levels to be assigned during peak hours and eliminate hours where there is low traffic volume. By restructuring the depot hours and staff levels, there is a nominal impact to the 2019 Operating Budget which has been adjusted as part of the 2019 Operating Budget process.

FINANCIAL CONSIDERATIONS

Account Name	Account #	2019 Budget	Balance Available for this Award	Cost of Award	Budget Remaining
Thor Drop-off Centre Contracted Services	770 4735399	50,206	29,447	29,447	-
Mill Drop-off Centre Contracted Services	770 4725399	4,488	4,488	4,488	-
UNV Drop-off Centre Contracted Services	770 4715399	24,276	24,276	24,276	-
Mkm Drop-off Centre Contracted Services	770 4705399	53,787	51,415	51,415	-
Totals:		132,757	109,626	109,626	-

OPERATING BUDGET AND LIFECYCLE IMPACT

The 2019 Operating Budget has been adjusted to reflect the contract award. There is no incremental impact to the Life Cycle Reserve Study.

ENVIRONMENTAL CONSIDERATIONS

The recycling depot program decreases landfill waste and slows the rate of resource depletion and pollution.

#6

**STAFF AWARD REPORT**

To:	Andy Taylor, Chief Administrative Officer
Award:	068-S-19 Smart Commute Program for Markham - Richmond Hill
Date:	March 21, 2019

BACKGROUND

The program provides commuter options and travel demand management programs/services to businesses in the City of Markham under the Smart Commute Markham, Richmond Hill Transportation Management Association (TMA) banner.

RECOMMENDATION

Recommended bidder	Smart Commute Markham – Richmond Hill (Non-Competitive Procurement)	
Current budget Available	\$ 76,300	19045 Smart Commute Markham-Richmond Hill
Less cost of award	\$ 76,300	Inclusive of HST
Budget remaining after this award	\$ 0.00	

Staff further recommends:

THAT the tendering process be waived in accordance with Purchasing By-Law 2017-8, Part II, Section 11.1 Non Competitive Procurement, item 1 (c) which states, “when the extension of an existing contract would prove more cost-effective or beneficial;”

OPERATING BUDGET AND LIFE CYCLE IMPACT

N/A

ENVIRONMENTAL CONSIDERATIONS

The services encourage local businesses and employees to use alternative travel modes, which supports Markham’s sustainability goals.



#7

STAFF AWARD REPORT

To:	Andy Taylor, Chief Administrative Officer
Re:	036-Q-19 Supply and Delivery of Pool Chemicals
Date:	March 13, 2019

BID INFORMATION

Bids closed on	March 13, 2019
Number picking up bid documents	9
Number responding to bid	3

PART A: RECOMMENDATION – 10 Core Pool Chemicals

Recommended bidder	Water & Ice North America Inc. (lowest priced bidder)	
Current budget available for this item	\$ 41,000.00	Various Operating Accounts
Less cost of award	\$ 35,231.85	April 1, 2019 – March 31, 2020*
	\$ 35,231.85	April 1, 2020 – March 31, 2021*
	\$ 35,231.85	April 1, 2021 – March 31, 2022**
	\$ 35,231.85	April 1, 2022 – March 31, 2023**
	<u>\$ 35,231.85</u>	April 1, 2023 – March 31, 2024**
	\$176,159.25	Total Cost of Award (Inclusive of HST)
Budget remaining after this award	\$ 5,768.15	***

PART B: RECOMMENDATION - Sodium Hypochlorite 12% (Chlorine)

Recommended bidder	Lavo Inc. (lowest priced bidder)	
Current budget available	\$78,000.00	Various Operating Accounts
Less cost of award	\$71,232.00	April 1, 2019 – March 31, 2020*
	\$71,232.00	April 1, 2020 – March 31, 2021*
	\$71,232.00	April 1, 2021 – March 31, 2022**
	\$71,232.00	April 1, 2022 – March 31, 2023**
	<u>\$71,232.00</u>	April 1, 2023 – March 31, 2024**
	\$319,800.00	Total Cost of Award (Inclusive of HST)
Budget remaining after this award	\$6,768.00	***

* The term of the contract is for two (2) years commencing on April 1, 2019 and ending on March 31, 2021 with the option to renew for three (3) additional one-year periods subject to Council's approval of the 2020-2024 operating budgets. Prices are firm fixed for the first two years.

** The remaining three (3) years will be subject to an annual price increase based on the Consumer Price Index for All Items Canada for the twelve (12) month period ending September 30 in the applicable year.

***The remaining budget will generate a favourable variance that will be included as part of the 2019 results of operations and will be addressed as part of the 2020 operating budget.

OPERATING BUDGET AND LIFE CYCLE IMPACT

The operating budget will be reduced accordingly as part of the 2020 operating budget process. There is no incremental life cycle impact.

ENVIRONMENTAL CONSIDERATIONS

N/A

#8

**STAFF AWARD REPORT**

To:	Andy Taylor, Chief Administrative Officer
Re:	133-R-12 Contract Extension Labour and Employment Law Legal Services
Date:	April 04, 2019
Prepared by:	Catherine Conrad, City Solicitor & Acting Director Human Resources, Ext. 4737 Rosemarie Patano, Senior Construction Buyer, Ext 2990

PURPOSE/BACKGROUND

To obtain approval to extend the contracts for nine months each for the Labour and Employment Law Legal Services, on an as required basis at the same rate as the current contract.

RECOMMENDATION

Recommended bidder	Hicks Morley Hamilton Stewart Storie B&S and Filion Wakely Thorup Angeletti LLP (Non-Competitive Procurement)	
Current budget available	\$54,530.58	# 200-998-5620 "Labour and Employment Consulting Service"
Less cost of award	\$54,530.58	(Inclusive of HST) *
Budget remaining after this award	\$ 0.00	

*NOTE: the City split this contract between both firms with all labour law work being assigned to Hicks Morley and the majority of general employment law work assigned to Filion Wakely. This arrangement would continue to provide the City with the expertise required at the best value.

Staff further recommends:

THAT the tendering process be waived in accordance with Purchasing By-Law 2017-8, Part II, Section 11.1 Non Competitive Procurement, item 1 (c) which states, "when the extension of an existing contract would prove more cost-effective or beneficial;"

OPTIONS / DISCUSSIONS

In 2013, Staff awarded the contract to retain legal firms for the provision of labour and employment law services. With both contracts at end of term (with no further options for renewal), Staff are in the process of developing a new RFP to be released to market. For the interim, continued services are required as it pertains to: employment law and labour relations, with the Ontario Labour Relations Board, Pay Equity Hearing Tribunal, Workers Safety and Insurance Board, and Workers Safety and Insurance Appeals Tribunal. Both incumbents (Hicks Morley Hamilton Stewart Storie B&S and Filion Wakely Thorup Angeletti LLP), have provided the City with excellent services and support.

OPERATING BUDGET AND LIFE CYCLE IMPACT

There is no incremental operating budget impact and no life cycle impact.

ENVIRONMENTAL CONSIDERATIONS

N/A

#9

**STAFF AWARD REPORT**

To:	Andy Taylor, Chief Administrative Officer
Re:	047-T-19 Audio Consoles & Microphone Replacement for the Flato Markham Theatre
Date:	April 12, 2019

BACKGROUND

Replacement of 3 audio consoles and 29 microphones based on condition assessment at the Flato Markham Theatre.

BID INFORMATION

Bids closed on	March 29, 2019
Number picking up bid documents	5
Number responding to bid	4

RECOMMENDATION

Recommended bidder	Solotech Inc. (lowest priced bidder)	
Current budget available	\$378,510.00	074-6150-19005-005 (Console and Microphone Replacement)
Less cost of award	\$ 356,796.14 \$ 17,839.81 \$ 374,635.95	Bid Price (Inclusive of HST) Contingency (5%) Total Cost Of Award (Inclusive of HST)
Budget remaining after this award	\$ 3,874.05	*

*The budget remaining of \$3,874.05 will be returned to its original funding source.

OPTIONS/DISCUSSIONS

The existing audio consoles will be traded to the recommended supplier in accordance with Purchasing By-law 2017-8, PART V, Disposal of Personal Property. Proceeds will be posted to account 890-890-9305 (Proceeds from the Sale of Other Fixed Assets).

OPERATING BUDGET AND LIFE CYCLE IMPACT

There is no incremental operating budget impact. There is no incremental life cycle impact.

ENVIRONMENTAL CONSIDERATIONS

N/A