



Report to: Council

Meeting Date: December 10, 2019

SUBJECT: Award of Tender 209-T-19 Floodlights, Poles and Cross Arms Replacement
PREPARED BY: David Plant, Sr. Manager – Parks, Horticulture & Forestry
Ext 4893
Melita Lee, Senior Buyer, Ext 2239

RECOMMENDATION:

1. That the report entitled “Award of Tender 209-T-19 Floodlights, Poles and Cross Arms Replacement” be received; and,
2. That the contract for Tender 209-T-19 Floodlights, Poles and Cross Arms Replacement (Part A: Armadale and Highgate Parks) be awarded to the lowest priced bidder, Nadelec Contracting Inc., in the amount of \$388,417.92, inclusive of HST; and,
3. That the contract for Tender 209-T-19 Floodlights, Poles and Cross Arms Replacement (Part B: Morgan and Bishops Cross Parks) be awarded to the lowest priced bidder, Nadelec Contracting Inc., in the amount of \$601,096.32, inclusive of HST; and,
4. That a 5% contingency in the amount of \$49,475.71 (\$19,420.90 + \$30,058.81) inclusive of HST, be established for each contract to cover any additional construction costs and that authorization to approve expenditures of this contingency amount up to the specified limit be in accordance with the Expenditure Control Policy; and,
5. That the estimated costs of \$1,038,989.95 (\$388,417.92 + \$601,096.32 + \$49,475.71) be funded from accounts as listed in the Financial Considerations section with budget available of \$864,027.00; and,
6. That the budget shortfall in the amount of \$174,962.95 (\$864,027.00 - \$1,038,989.95) be funded from the Life Cycle Replacement and Capital Reserve; and further,
7. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

Not applicable.

PURPOSE:

The purpose of this report is to award the contracts for floodlights, poles and cross arms replacement for Part A (Armadale and Highgate Parks) and Part B (Morgan and Bishops Cross Parks).

BACKGROUND:

The tender identified the replacement of floodlights, poles and cross arms in various parks which were split into two parts (Part A and B) as follows:

Part A: Armadale and Highgate Parks

- Armadale Park – tennis court;
- Highgate Park – softball diamond; and
- Highgate Park – tennis court.

Part B: Morgan and Bishops Cross Parks

- Morgan Park – baseball diamond;
- Bishops Cross Park – baseball diamond; and
- Bishops Cross Park – softball diamond.

Bidders were able to bid on Part A, Part B or both. Each Part A and B were to be awarded separately.

It is anticipated that work will begin in January 2020 in order to ensure completion by April 30, 2020. The work involved with removing and replacing large concrete light poles requires the deployment of large heavy equipment which can result in substantial ground damage if done without the ground being frozen. Additionally, the lead time required by the successful contractor to procure the poles and fixtures is between 8 and 12 weeks making this award time sensitive for completion by April 30, 2020.

Prior to this project tender, City athletic fields have been lit with Metal Halide floodlights which have performed well and represented good value for the municipality. The lighting consultant engaged by the City to prepare specifications for tender advised the City that due to changes in energy regulations Metal Halide lights were no longer available in the market and as such, the specifications were revised to include LED fixtures.

Tender Information (209-T-19)

Bid closed on	November 28, 2019
Number picking up bid document	13
Number responding to bid	9 (Part A) 10 (Part B)

Part A (Armadale and Highgate Parks) Pricing Summary

Bidder	Bid Price (Inclusive of HST)
Nadelec Contracting Inc.	\$388,417.92

Part B (Morgan and Bishops Cross Parks) Pricing Summary

Bidder	Bid Price (Inclusive of HST)
Nadelec Contracting Inc.	\$601,096.32

OPTIONS/ DISCUSSION:

Energy efficiency regulations adopted by Natural Resources Canada, which came into effect on February 10, 2017 and to be enforced commencing on December 31, 2019 by Canadian lighting manufacturers (including Hubbell Lighting who produced the 1000 watt metal halide floodlight specified on Markham sports fields in the past).

These new regulations effectively prohibit the use of traditional 1000 watt probe-start metal halide ballasts in any new luminaires sold in Canada. The use of metal halide lighting has been regulated out of existence in favour of new LED lighting sources.

It is estimated that with the change to LED, the City will save approximately \$3,000 annually in energy costs. Also, the City lighting consultant has advised that the change to LED may qualify the City for one-time incentives from the Independent Electricity System Operator (IESO) under the Save-On-Energy program to a maximum amount of \$44,550. The City will pursue this incentive and any rebates received will be credited back to the respective capital projects.

FINANCIAL CONSIDERATIONS

			a	b	c	d=b+c	e=a-d
Account Name	Account #	Total Budget	Amount Allocated to this Award	Cost of Award	Contingency	Total Award	Budget Remaining/ (Shortfall)
Flood Light Poles and Cross Arms	059-6150-19191-005	716,200.00	693,711.00	827,308.80	41,365.44	868,674.24	- 174,963.24
Morgan Park	059-6150-18242-005	345,000.00	170,316.00	162,205.44	8,110.27	170,315.71	0.29
Totals:		1,061,200.00	864,027.00	989,514.24	49,475.71	1,038,989.95	- 174,962.95

Budget shortfall in the amount of \$174,962.95 will be funded from the Life Cycle Replacement and Capital Reserve.

The shortfall is due to the budget being based on metal halide lighting, as opposed to the LED lighting. However, LED lights provide a 50% reduction in energy and eliminates the need for additional maintenance costs. LED lights have a rated life of 50,000 to 100,000 hours while metal halide lighting has a life expectancy of 12,000 to 20,000 hours.

OPERATING BUDGET AND LIFE CYCLE IMPACT

The 2021 Parks sportsfield hydro operating budget account (730 7325000) will be reduced by \$3,000 due to the conversion to LED floodlights at the awarded locations, subject to Council approval.

There is currently a proactive relamping program on sportsfield lights where all lamps are replaced every 5 years. The installation of LED floodlights will eliminate the need for the 5-year relamping program for these fields and instead, a significantly lower yearly provisional amount will be required. This saving, once determined, along with the cost to

upgrade all remaining floodlights to LED will be built into the 2020 Life Cycle Reserve Study update.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

This project closely aligns with two of the corporation's areas of strategic focus with providing excellent Municipal Services – Parks and Recreation, and our commitment to the Environment.

BUSINESS UNITS CONSULTED AND AFFECTED:

Not applicable.

RECOMMENDED BY:

Morgan Jones
Director, Operations

Brenda Librecz
Commissioner, Community & Fire
Services

ATTACHMENTS:

Not applicable.