



Report to: General Committee

Meeting Date: June 20, 2022

SUBJECT: Tender 207-T-21 Fairtree Cricket Pitch Lighting Installation
PREPARED BY: Tanya Lewinberg, Acting Sr. Manager – Business, Fleet and Public Realm, Ext 2700
Melita Lee, Senior Buyer, Ext. 2239

RECOMMENDATION:

1. That the report entitled “Tender 207-T-21 Fairtree Cricket Pitch Lighting Installation” be received; and,
2. That the contract for Tender 207-T-21 Fairtree Cricket Pitch Lighting Installation be awarded to the lowest priced bidder, Nadelec Contracting Inc. in the amount of \$386,118.14, inclusive of HST; and,
3. That a 10% contingency in the amount of \$38,611.81 inclusive of HST, be established to cover any additional construction costs and that authorization to approve expending of the contingency amount up to the specified limit be in accordance with the Expenditure Control Policy; and,
4. That the estimated costs of \$424,729.96 (\$386,118.14 + \$38,611.81) be funded from accounts as listed in the Financial Considerations section with budget available of \$227,915.00; and,
5. That the budget shortfall in the amount of \$196,814.96 (\$424,729.96 - \$227,915.00) be funded from the Development Charges - City-Wide Soft Reserve in the amount of \$177,133.46 (90%) and Non-DC Growth in the amount of \$19,681.50 (10%); and further,
6. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to obtain Council approval to award the contract for the Fairtree Cricket Pitch Lighting Installation.

BACKGROUND:

The project is located at the Yarl Cedarwood Park, Fairtree Cricket Pitch at 385 Elson St, Markham. The installation of lighting is to facilitate cricket playing at night (weather permitting) at Fairtree Cricket Pitch. The scope of work includes the installation of electrical servicing, lights and poles for the illumination. The Contractor shall complete all the electrical work for this project including executing the electrical plan provided by the City’s consultant.

It is anticipated that work will be completed within sixteen (16) weeks of the award.

Tender Information (207-T-21)

Bid closed on	April 4, 2022
Number picking up bid document	7
Number responding to bid	3

207-T-21 Fairtree Cricket Pitch Lighting - Pricing Summary

Bidder	Bid Price (Inclusive of HST)
Nadelec Contracting Inc.	\$386,118.14*

*Bids received in response to this Request for Tender exceeded the City's budget. Consequently, Staff attempted to enter into negotiations with the low bidder (Nadelec Contracting Inc.), however they were unable to reduce their pricing.

OPTIONS/ DISCUSSION:

The capital budget for this project was approved as part of the 2021 capital budget process to offset the current deficiency in cricket pitches within the City. The 2019 Integrated Leisure Master Plan (ILMP) requires one (1) cricket pitch for every 75,000 residents. The City is currently deficient by two (2) cricket pitches and this will grow to three (3) by 2031. The introduction of cricket pitch lighting at Fairtree will double the capacity for games on this pitch effectively bringing the deficiency to one (1) field. Further, the long periods of closure of the City's recreational facilities resulting from the pandemic are contributing to a greater need for outdoor spaces, which can be used by the wider community and for various/alternative programming. The lighting will extend the active use of the track surrounding the cricket pitch as well providing more access to more users.

Since the approval of the budget for this project, the pandemic has had a significant impact on the prices of commodities and related logistics. The prices of metals such as steel, concrete, copper and aluminum are continuing to increase with no certainty of when prices may stabilize. The combination of escalating prices for commodities and paired with the budget request made in 2020 has led to the cost overrun for this project.

FINANCIAL CONSIDERATIONS

The award in the amount of \$424,729.96 is to be funded from Project 21144, Growth Related Park Improvements, that has a budget of \$227,915. Staff recommend that the budget shortfall in the amount of \$196,814.96 be funded from the Development Charges - City-Wide Soft Reserve in the amount of \$177,133.46 (90%) and Non-DC Growth in the amount of \$19,681.50 (10%).

The shortfall can be attributed to the following factors:

- Unanticipated new hydro connection from Alectra Utilities (\$55,277.55);
- New geotechnical report required (\$8,115.36);
- Suppliers' increase in costs related to the electrical construction material with copper being a component of such materials is showing a 20.7% year-over-year increase
- An overall increase in cost of commodities such as concrete (74% based on the Producer Price Index (PPI))

- An overall increase in cost of commodities such as aluminum and steel (approximately 12% from August 2020 to August 2021)
- CPI increases have surpassed 5% compared to when the budget was initially established.

OPERATING AND LIFE CYCLE BUDGET IMPACT

Purchase and installation of the cricket pitch lighting will be added as part of the 2022 Life Cycle Reserve Study update. There is no incremental operating budget impact.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

This project aligns with providing Municipal Services as the new lighting will provide reliable infrastructure to facilitate cricket playing at night (weather permitting). Further maximizing the use of the existing cricket pitch is the most sustainable approach to acquiring offering more cricket playing time in Markham.

BUSINESS UNITS CONSULTED AND AFFECTED:

Finance and Recreation have reviewed and approved the report.

RECOMMENDED BY:

Alice Lam
Director, Operations

Morgan Jones
Commissioner, Community Services

ATTACHMENTS:

Not applicable