



Report to: General Committee

Report Date: April 1, 2011

SUBJECT: Staff Awarded Contracts for the Month of March 2011
PREPARED BY: Alex Moore, Ext. 4711

RECOMMENDATION:

1. THAT the report entitled "Staff Awarded Contracts for the Month of March 2011 be received;

And that Staff be authorized and directed to do all things necessary to give effect to this resolution

EXECUTIVE SUMMARY:

Council at its meeting of May 26th, 2009 amended By-Law 2004-341, A By-Law Establishing Procurement, Service and Disposal Regulations and Policies. The By-Law delegate's authority to staff to award contracts with a monthly information report required to be submitted to Council by the Treasurer for all contracts awarded by staff >\$50,000

PURPOSE:

To inform Council of contracts awarded by staff for the Month of March 2011 as per Purchasing By-Law 2004-341 as listed below.

Chief Administrative Officer

Award Details	Description
Preferred Supplier	• 295-S-10 Renewal of Life Insurance contract with Sun Life Assurance Company

Community & Fire Services

Award Details	Description
Lowest Priced Supplier	• 016-T-11 Townwide Materials Testing • 006-T-11 Supply and Delivery of Field Line Marking Paint • 022-T-11 Supply and Delivery of Mowers
Highest Ranked / 2 nd Lowest Priced Supplier	• 299-R-10 Elgin Street Watermain Replacement (Dudley Avenue to Johnson Street)
Sole Bidder	• 014-T-11 Supply, Delivery & Installation of Steel Shelving for the Thornhill Community • Centre Library

Corporate Services

Award Details	Description
Preferred Supplier	• 062-S-11 Wide Area Network (WAN) Connectivity Services

Development Services

Award Details	Description
Lowest Priced Supplier	• 276-T-10 Mount Joy Pedestrian Bridge

15/04/2011

15/04/2011

X

Joel Lustig
Treasurer

X

Andy Taylor
Commissioner, Corporate Services



STAFF AWARD REPORT

Page 1 of 3

To:	John Livey, Chief Administrative Officer
Re:	295-S-10 Renewal of Life Insurance contract with Sun Life Assurance Company
Date:	February 01, 2011
Prepared by:	Nadine Daly, Manager HR, Diversity, Compensation & Benefits Tony Casale, Senior Buyer, Purchasing

PURPOSE

To obtain approval to extend the current contract with Sun Life Assurance Company (Sun Life) to provide Group Life Insurance coverage to Town employees for 2011 under the Regional Municipality of York Umbrella Plan.

RECOMMENDATION

Recommended supplier	Sun Life Assurance Company (Preferred Supplier)	
Current budget available	\$ 338,583.00	030 220 0046 Payroll - Life (Budget allocated for this item)
Less cost of award	\$ 318,581.00 \$ 20,002.00 \$ 338,583.00	Various Town-wide Employee Benefit Accounts for Basic Life Insurance Optional Life Insurance, recoverable from employees as required*
Budget remaining after this award	\$ 20,000.00	

* Funds for the optional life will be recovered from employees as required.

Staff further recommends:

THAT the tendering process be waived in accordance with the Purchasing By-Law 2004-341, Part II, Section 7 Non Competitive Procurement, item 1 (h) "where it is necessary or in the best interests of the Town to acquire non-standard items and Professional Services from a preferred supplier or from a supplier who has a proven track record with the Town in terms of pricing, quality and service."

BACKGROUND

On June 1, 1994, the Town of Markham entered into an agreement with the Mutual Life Assurance Company, which has since changed its name to Sun Life Assurance Company. The agreement is to provide a Group Life Insurance benefit for Town employees under The Regional Municipality of York's umbrella plan renewable on a year to year basis. The "Umbrella Group" includes The Region of York, Town of Markham and Town of Newmarket. A third party consultant, Buffett Taylor & Associates Ltd. has been hired by the Umbrella Group to review the premium and terms and conditions of the contract every year. Buffet Taylor also negotiates contract terms with Sun Life, on behalf of the Umbrella Group, on a yearly basis.

The Town's Group Life Insurance Benefit Plan includes basic life insurance coverage for employees. The Plan also provides optional life insurance for employees and their dependents for additional coverage as required. Premiums for basic life insurance are payable by the Town, and premiums for optional life insurance coverage are payable by the employees.

OPTIONS / DISCUSSIONS

Staff concluded that it is in the best interest of the Town to renew the Group Life Insurance benefit plan with Sun Life under the Regional Municipality of York Umbrella Plan for the following reasons:

1. The Town continues to enjoy competitive premiums through economies of scale. The Town maintained a premium rate of \$0.184 per \$1,000 from 2005 to 2009 and negotiated a decrease in 2010 for a premium rate @ \$0.170 per \$1,000.
2. Sun Life initially proposed a 17% increase for 2011 however staff were successful in negotiating the rate to the 2005-2009 level of \$0.184 per \$1,000 for an increase of 8% over the 2010 rate. This rate is competitive relative to claim experience in the past six years based on the increased and aging demographics of plan members at the Town of Markham.
3. Our benefit Consultant Buffett Taylor has measured the demographic risk associated with underwriting the Markham Basic Life coverage which has increased since the marketing survey over 2 years ago. Currently 41% of the Town's plan members are over the age of 50, representing 43% of the total insured volume. This compares unfavorably to the entire Umbrella group, where 29% of the Umbrella members are 50+, representing 28% of the total insured volume. Although demographic risk is increasing for all Umbrella members, it is increasing relatively higher for Markham.

The change in demographics at this renewal was measured as the difference between the insured volumes from January 2008 (based on the last market survey) and the 2011 renewal data (based on September 2010 insured volumes). This represents a 32 month timeline between the two data sets.

There have been moderate increases noted in the male 50-54, 55-59, and 60+ age-bands, along with an increase in the female 60-64 age-band. These increases are likely reflective of the aging baby-boom cohort moving through the employee population at the Town. Generally speaking, males have relatively higher actuarially determined mortality rates than females. Also between the two data sets it has been noted that there were some smaller reductions in the lower age bands for both males and females.

It should also be noted that, in addition to the movement between age-bands, the latest data set also reflects higher volumes of insurance, due to the fact that the life insurance coverage is based on a salary-based formula. Therefore, as a result of salary increases and promotions from year-to-year, especially heightened in the upper age-bands, the underwriting risk will also increase in tandem.

4. In comparison to other Municipalities, the Town of Whitby is paying \$0.31 per \$1,000 and the Town of Oakville is paying \$0.16 per \$1,000 (due to a more favorable claims experience and relatively lower demographic risk).
5. Sun Life has a proven track record with the Town and the Umbrella Group and has provided satisfactory customer services for over 10 years.

FINANCIAL CONSIDERATIONS

The current life insurance premium rate of \$0.170 per \$1,000 will renew at a new rate of \$0.184 per \$1,000 effective January 1, 2011.

Funds for basic life insurance are provided from various 2011 Town-wide employee benefit accounts in the amount of \$323,572.00.

The current enrolment for Town and library employees combined show 929 lives insured with a total life insurance volume of \$135,036,500. The monthly premium of \$0.184 per \$1,000 works out to an annualized premium of \$298,160.00 per annum inclusive of HST. An allowance of 7% \$20,420 (incl. of HST) has been added to the annualized premium to provide for salary increases and additional enrolments.

Premiums payable for Optional life insurance requests have been estimated at \$ 21,228.00 (incl. of HST) based on historical trends that will be recovered from employees.

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

To:	Brenda Librecz, Commissioner, Community & Fire Services
Re:	016-T-11 Townwide Materials Testing
Date:	February 23, 2011
Prepared by:	Patti Malone, Senior Buyer, ext. 2239 Mike Brady, Supervisor, Contract Administration, ext. 2316

PURPOSE

This award is to obtain approval to contract for concrete & asphalt materials testing for a ONE (1) year period and additional TWO (2) year option period at the same terms, conditions and pricing and based on the contractor's performance and at the sole discretion of the Town ending 2013.

RECOMMENDATION

Recommended Supplier	DBA Engineering (Lowest Priced Supplier)	
Current Budget Available	\$ 68,000.00	050-6150-11299-005 Asphalt Resurfacing (Budget allocated for this item)
Less cost of award	\$ 62,999.62	Inclusive of HST for 2011
	\$ 62,999.62	Inclusive of HST for 2012*
	<u>\$ 62,999.62</u>	Inclusive of HST for 2013*
	\$ 188,998.86	Total Cost of Award (3 Year Term)
Budget Remaining after this award	\$ 5,000.38	**

*Subject to budget approval

**The remaining balance will remain in account 050-6150-11299-005 for asphalt resurfacing as budgeted under this account.

BACKGROUND

Materials testing is required to carry out quality assurance testing on various projects, but, primarily is used to ensure compliance to various material and placement specifications with concrete and asphalt materials placed by contractors performing road maintenance and rehabilitation work for the Town.

BID INFORMATION

Advertised	ETN
Bids closed on	February 9, 2011
Number picking up bid documents	18
Number responding to bid	16

PRICE SUMMARY

Suppliers	Yearly Price, Incl. HST
DBA Engineering Ltd.	\$ 62,999.62*
Davroc Testing Laboratories Inc.	\$ 83,794.27
LVM	\$ 85,849.82
MNA Engineering Ltd.	\$ 94,255.20
Toronto Inspection & Engineering Services	\$ 99,536.54
AMEC Earth & Environmental, a Division of AMEC Americas Limited	\$ 107,061.70
Trow Associates Inc.	\$ 107,438.21

PRICE SUMMARY (Continued)

Suppliers	Yearly Price, Incl. HST
Nasiruddin Engineering Limited	\$ 110,211.17
AME – Materials Engineering	\$ 112,990.23
Golder Associates Limited	\$ 113,426.78
Soil Probe	\$ 119,222.02
Terraprobe Inc.	\$ 141,105.50
Peto MacCallum Limited	\$ 120,784.03
Soil Engineers Ltd.	\$ 149,582.11
Genivar Inc.	\$ 153,293.81
Patriot Engineering Ltd.	\$ 160,816.42

*As compared to the 2010 contract, this contract represents a decrease in cost of approximately 30.37%.

Note: DBA Engineering Ltd. is the incumbent since 2005, and provided an aggressive bid to maintain the contract.



STAFF AWARD REPORT

To:	Brenda Librecz, Commissioner, Community & Fire Services
Re:	006-T-11 Supply and Delivery of Field Line Marking Paint
Date:	February 28, 2011
Prepared by:	Patti Malone, Senior Buyer, ext. 2239 Doug Henderson, Supervisor, Operations, ext. 7997

PURPOSE

To obtain approval to award the contract for the supply and delivery of field line marking paint for a ONE (1) year period and additional TWO (2) year option period ending 2013 at the same terms, conditions and (2011) pricing and based on the contractor's performance and at the sole discretion of the Town.

RECOMMENDATION

Recommended Supplier	Solignum Inc. (Lowest Priced Supplier)	
Current Budget Available	\$ 59,020.00	730-732-5415 Sports field Maintenance (Budget allocated for this item)
Less cost of award	\$ 62,700.00	Inclusive of HST for 2011
	\$ 62,700.00	Inclusive of HST for 2012*
	\$ 62,700.00	Inclusive of HST for 2013*
	\$ 188,100.00	Total Cost of Award (3 Year Term)
Budget Remaining after this award	(\$ 3,680.00)	**

* Subject to respective year's budget approval

** Account 730-732-5415 "Sports field Maintenance" has an approved budget of 389,797.00 for various maintenance requirements; the variance of \$3,680 will be funded by 730-732-5415 "Sports field Maintenance". This amount will be offset by corresponding reduction in other purchases related to sports field maintenance. Operations staff will ensure account 730-732-5415 remains within budget.

BACKGROUND

The quotation was issued for the supply and delivery of field line marking paint for sportsfields. The estimated annual quantity is based on 57,000 litres.

BID INFORMATION

Advertised	ETN
Bids closed on	February 16, 2011
Number picking up bid documents	7
Number responding to bid	3

PRICE SUMMARY (Inclusive of HST)

Suppliers	Unit Price Per Litre	Est. Qty (Annual)	Total price
Solignum Inc.	\$1.10	57,000	\$62,700.00
Simplistic Lines	\$1.43	57,000	\$81,510.00
General Paint	\$1.52	57,000	\$86,640.00

* Prices are firm fixed for the duration of this contract (2011-2013) with low bidder being the incumbent since 2002.

** Based on the previous contract (2008-2010), this price represents a 3% increase.

Note: As allowed in the bid document, the bidders were able to offer alternative container sizes. The recommended supplier will be supplying an 18.9 L recyclable container.

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

To:	John Livey, Chief Administrative Officer
Re:	022-T-11 Supply and Delivery of Mowers
Date:	March 14, 2011
Prepared by:	Laurie Canning, Manager, Fleet and Supplies, ext. 4896 Patti Malone, Senior Buyer, ext. 2239

PURPOSE

To obtain approval to award the purchase of fourteen (14), 60" rear discharges zero turn rotary mowers.

RECOMMENDATION

Recommended Supplier(s)	B. E. Larkin Equipment (Lowest Priced Supplier)	
Current Budget Available	\$ 231,175.00	Various Accounts (see Financial Attachment) Budget allocated for these items
Less cost of award	\$ 167,751.36	Inclusive of HST
Budget Remaining after this award	\$ 63,423.64	*

*A portion of this balance (\$3,000) will be utilized for "Markhamizing" the units and the remaining balance (\$60,423.64) will be returned to the original funding source.

BACKGROUND

This tender was issued in accordance with the current Purchasing By-law with twelve (12) of the units specified in this award where identified in the 2011 Corporate Fleet Replacement Program and two (2) units being new fleet additions related to growth in the Operations area. Staff reviewed the bid documents and is satisfied that these units meet and comply with the Town's requirements. The units identified have met the replacement criteria of 8 years as identified in the Corporate Fleet Policy for this unit type/class.

The replaced units 3475, 3476, 3477, 3478, 3480, 3481, 3482, 4193, 4206, 4218, 4329 and 4385 will be sold upon delivery of the new units in accordance with Purchasing By-law 2004-341, PART V Disposal of Personal Property and proceeds will be posted to account 890 890 9305 proceeds from the Sale of Other Fixed Assets.

The units being replaced require major servicing or repairs. These repairs would be necessary to keep the units in service as reliable units and have not been done in anticipation of the replacement of the identified units in time for the upcoming season.

BID INFORMATION

Advertised	ETN
Bids closed on	February 18, 2011
Number picking up bid documents / sent electronically	10
Number responding to bid	6*

*One bidder was disqualified for not meeting tender specification in the following areas: horse power, deck specification, deck drive, clutch hydraulic, clutch engagement, hydraulic deck lift, pivoting front axle and hydraulic deck height control.

PRICE SUMMARY (Inclusive of HST)

Suppliers	Price
B.E. Larkin Equipment	\$167,751.36
Hutchinson Farm Supply	\$169,475.17
York Region Equipment Centre	\$173,806.08
Markdale Tractor	\$203,581.06
Turf Care Products	\$213,525.04

ENVIRONMENTAL CONSIDERATIONS

The Zero Turn Mowers identified in this award are diesel powered and are compatible with the current Bio Diesel fuel blends used in the fleet.

FINANCIAL ATTACHMENT

			a	b	a-b
Account Name	Account #	Budget Amount	Budget Allocated to this Award	Amount Allocated to this project - Award	Budget Remaining
Corporate Fleet Replacement Program	Project 11245	2,615,200	192,375	143,787	48,588
New Fleet Operations Growth	Project 11248	163,050	38,800	23,964	14,836
					-
Totals:		2,778,250	231,175	167,751	63,424

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

To:	John Livey, Chief Administrative Officer
Re:	299-R-10 Elgin Street Watermain Replacement (Dudley Avenue to Johnson Street)
Date:	February 14, 2011
Prepared by:	Dale MacKenzie, Senior capital works Engineer. Ext: 4055 Robert Slater, Senior Construction Buyer. Ext. 3189

PURPOSE

To obtain approval to award the contract for the Detailed Design, Contract Administration and Inspection services for the replacement of watermain on Elgin Street from Dudley Avenue to Johnson Street.

RECOMMENDATION

Recommended Supplier	Chisholm Fleming and Associates (Highest ranked / 2 nd lowest priced bidder)	
Current Budget Available	\$ 200,000.00	053-6150-10341-005 Water main Design (Budget allocated for this item)
Less: Cost of Award	\$ 63,600.00	Design
	\$ 72,758.40	Contract Administration
	\$ 13,635.84	Contingency
	\$ 149,994.24	Total Award (Inclusive of HST)
	\$ 17,999.31	Internal Management Fee @ 12.0%
	\$ 167,993.55	Total Project Cost
Budget Remaining after this award	\$ 32,006.45	*

* The remaining balance in the amount of \$32,006.45 will remain in the account until completion of the project and at that time any surplus funding will be returned to the original funding source.

Note: Account 10341 "Water main Design" was originally budgeted for Clark Avenue (Lilian Ave to Sprucewood). Account 9265 "Water main Design" was budgeted for Elgin Street, however, this budget (9265) was utilized for Clark Avenue due to operational and maintenance needs and concerns at that time. Therefore, Account 10341 is now being utilized for Elgin Street.

BACKGROUND

The Town of Markham requested proposals from Consultants to provide design and contract administration and inspection services, for the detailed design, assistance with the tender preparation and if required, contract administration and construction inspection, for the replacement of the existing aging municipal watermain on Elgin Street from Dudley Avenue to Johnson Street. The existing watermain will be replaced with a new 150mm diameter PVC watermain complete with services, valves and appurtenances.

The watermain is approximately 1,050m in length and is in need of replacement. Markham Waterworks Staff wish to have the detailed design of the watermain replacement, tender the project and proceed with the actual construction work this year.

BACKGROUND

The Consulting services of Detailed Design, Contract Administration and Inspection services are for the following:

- The replacement of approximately 1,050 metres of existing watermain with new 150mm dia.PVC pipe.
- The replacement of all existing services;
- The replacement of all main line valves and chambers, hydrants and appurtenances etc.

The Scope of Work is divided into two (2) parts, Part A – Detailed Design Services and Part B – Contract Administration and Construction Inspection Services.

BID INFORMATION

Advertised	ETN
Bids closed on	January 21, 2011
Number of bidders that picked up bid documents	17
Number of bidders responding to bid	10

PROPOSAL EVALUATION

The evaluation team was comprised of staff from the Engineering Department with purchasing acting as the facilitator. The evaluation was based on pre-established evaluation criteria as listed in the Request for Proposal: 20% Qualifications and Experience of firm and related projects, 20% for qualifications and experience of the lead consultant and project team, 30% for project management, understanding and delivery and 30% for price, totaling 100%, with resulting scores as follows:

Suppliers	Score (out of 100)	Ranking
Chisholm Fleming & Associates	91.90	1
URS Canada Inc	89.30	2
Aecom Canada Ltd.	72.75	3
Valdor Engineering Inc.	80.70	4
Genivar Inc.	80.60	5
Masongsong Associates Engineering Limited	79.10	6
Associated Engineering (Ont) Ltd.	77.70	7
Morrison Hershfield Limited	73.80	8
Schaeffer & Associates	65.40	9
SRM Associates	64.00	10

Prices ranged from approximately \$ 134,335.41 to \$253,702.94 (Inclusive of HST).

Chisholm Fleming was the 2nd lowest priced bidder (1% higher than low bidder) who provided a detailed proposal with a good understanding of the project and complemented this with an experienced team and the 2nd lowest priced proponent.

The bids have been verified for accuracy and compliance with the Request for Proposal terms and conditions. Purchasing has reviewed the references of the recommended proponent and is satisfied with the references provided. Chisholm Fleming & Associates had the highest combined technical and price marks and is recommended to be awarded this project.



STAFF AWARD REPORT

Page 1 of 2

To:	Andy Taylor, Acting Chief Administrative Officer
Re:	014-T-11 Supply, Delivery & Installation of Steel Shelving for the Thornhill Community Centre Library
Date:	March 02, 2011
Prepared by:	Mohammed Hosseini-Ara, Director, Service Excellence, Ext. 5997 Tony Casale, Senior Buyer Ext. 3190

PURPOSE

To obtain approval to award the contract for the supply, delivery and installation of steel shelving for the Thornhill Community Centre Library.

RECOMMENDATION

Recommended Supplier	Out of the Box Associates Inc. (Sole Bidder)	
Current Budget available	\$ 196,983.27	070-5350-10512-005 Thornhill FF&E Library Budget allocated for this item
Less cost of award	\$ 209,541.14	(Inclusive of HST)
Budget Remaining after this award	(\$ 12,557.87)	*

*The shortfall will be funded from capital project #10308 "Replace Library Shelving", account 076-6150-10308-005.

BACKGROUND

As part of the Infrastructure Stimulus Fund Project, the Town of Markham (Town) received approval for a 1/3 cost sharing agreement among the Province of Ontario, Government of Canada and the Town to construct a new addition and to renovate the Thornhill Community Centre and Library. Included as part of the scope of work are various furniture and fixture requirements for the library.

This contract is for steel shelving for the newly renovated Thornhill Community Centre Library. The system consists of various shelving requirements to house library materials such as books. A design consultant was engaged to design the required system and to prepare detailed specifications for the proposed system. The specifications were reviewed with representatives from the Markham Public Library to ensure that all requirements were met.

BID INFORMATION

Advertised	ETN
Bids closed on	February 04, 2011
Number picking up bid documents	7*
Number responding to bid	1

* Purchasing staff contacted the companies who did not submit bids. One (1) company advised that they were unable to quote competitively; one (1) company could not manufacture/supply to meet the specifications; one (1) company could not handle due to present workload and one (1) company could not meet the delivery requirements.

DISCUSSION

During the review process, staff determined that steel shelving is a specialized field and few suppliers have the capabilities to carry out the scope of work identified in the specifications. Similarly, in 2007, the Town released a tender to the market for the supply, delivery and installation of steel shelving for the Markham Village Library and only one (1) bid was received.

The pricing provided by the sole bidder on bid opening was \$298,360.19 (\$303,611.32 incl. of HST) which exceeded the cost estimates and budget allocated for library furniture requirements. Staff discussed options to cancel and re-tender the project or negotiate with the low bidder. Due to the specialized nature of the scope of work and time constraints associated with federal stimulus projects, staff opted to negotiate with the sole bidder to better meet our budgetary goals.

Staff requested the bidder to re-negotiate pricing with both the steel and millwork manufacturers who were identified as their sub-contractors within the bid submission. Furthermore, staff worked with the bidder to redesign the shelving system in an effort to reduce overall costs while maintaining the design of the library.

Through negotiations with the sole bidder as identified above, the following two options were provided:

The first option required slight revisions to the design of all shelving requirements, i.e. removal of kick plates, re-design of tops, bottoms and inside panels and the removal of all slat walls. The second option was similar to the first with the exception that the slat walls were not excluded from the requirements.

Option 1 - \$204,355.45 (Inclusive of HST)

Option 2 - \$209,541.14 (Inclusive of HST)

Staff elected to go with option two (2) which includes the slat walls in an effort to maintain consistency with all other libraries in the Town. The slat walls provide for additional storage, highlight books of the week and are identifiable throughout the Town libraries as the consistent look of shelf ends.

FINANCIAL CONSIDERATIONS

The stimulus funding has remaining a library furniture budget of \$196,983.27 to cover the cost of this award at \$209,541.14, leaving a budget shortfall of \$12,557.87.

This shortfall will be funded from a capital project #10308 "Replace Library Shelving" (account 076-6150-10308-005), which was approved to replace "annual" shelving at library facilities.

The following table presents the financial position of the project after the proposed award.

TOWN OF MARKHAM THORNHILL COMMUNITY CENTRE & LIBRARY RENOVATION PROJECT TO DATE COSTS AS OF DECEMBER 31, 2010						
	(A) Reallocated Budget 31-Dec-10	(B) Actual / Committed *	(C) = (A)-(B) Uncommitted Budget Before Award	(D) Proposed Award **	Budget Transfer from Project 10308	(E) = (C) + (D) Budget After Award
CONSTRUCTION						
Construction - Charterhouse	3,140,000	3,176,363	-36,363			-36,363
Construction Contingency	1,010,000	1,023,905	-13,905			-13,905
Total Construction	4,150,000	4,200,268	-50,268	0		-50,268
FF&E						
Library *	640,000	443,017	196,983	-209,541	12,558	0
Recreation	120,000	0	120,000			120,000
INTERNAL COSTS						
Architect	401,301	401,206	95			95
Project Management	430,000	123,298	306,702			306,702
Landscaping & Site Security	200,000	44,844	155,156			155,156
Other Internal Costs	58,699	36,191	22,508			22,508
Total Internal Costs	1,090,000	605,539	484,461	0		484,461
	6,000,000	5,248,824	751,176	-209,541	12,558	554,193

* The actual / committed amount of \$443,017 includes recent awards to Mayhew and Herman Miller Workplace in the amount of \$126,392

** Award inclusive of HST impact of 1.76%



STAFF AWARD REPORT

Page 1 of 2

To:	Andy Taylor, Acting Chief Administrative Officer
Re:	062-S-11 Wide Area Network (WAN) Connectivity Services
Date:	March 21 st , 2011
Prepared by:	Sugun Rao, Manager, Technology, Ext. 4868 Rosemarie Patano, Senior Buyer Ext. 2990

PURPOSE

To obtain approval to purchase Wide Area Network (WAN) Connectivity Services for two (2) additional sites: Portal Hosting Site (Pullman Court) and Markham Convergence Centre, for the period from January 2011 to September 2015.

RECOMMENDATION

Recommended Supplier	Atria Networks. (Preferred Supplier)		
	Annual Costs	January 2011 - September 2015*	
Original Budget and Account #	\$399,500.00	\$1,897,625.00	400-404 5108; 2012 -2015 budgets will subject to council approval
Current Budget Available	\$399,500.00	\$1,897,625.00	
Current Budget Allocated	\$21,813.04	\$103,611.94	
Less cost of award	\$21,430.66	\$101,795.62	**Inclusive of HST
Budget Remaining after this award	\$382.38	\$1,816.32	

*The award is for the period from January 2011 to September 2015, which is equivalent to 57 months.

**the monthly costs are \$1,786, of which \$1,150 is for Portal Hosting Site (Pullman Court) and \$636 is for Markham Convergence Centre; The minimum bandwidth requirement for the Portal Hosting Site is 40 mbps and 20 mbps for the Markham Convergence Centre.

Staff recommends:

THAT the tendering process be waived in accordance with Purchasing By-Law 2004-341, Part II, Section 7 Non Competitive Procurement, item 1 (e) which states "Where the Town is acquiring specialized equipment, in which case the sources of supply may be identified based on technical specifications prepared by the User Department staff. The Manager of Purchasing may negotiate purchases based on such specifications in consultation with the User Department;"

BACKGROUND

On June 08, 2010 meeting of Markham Council, it was resolved that Atria Networks (Highest ranked / Lowest Priced Bidder) be awarded the contract (339-R-09) as the Town's sole Wide Area Network (WAN) Service provider for the next five years (expiring Sept 30th 2015). The awarded contract included WAN connectivity services to a total of 33 Town facilities that were in-scope at the time.

The solution proposed by Atria includes dedicated, private leased fiber connectivity to all location with 1 Giga bits per second (Gbps) bandwidth that exceeds the specifications identified in the RFP for 20 of the 33 locations (that are below 1 Gbps bandwidth as per the FRP requirement). Although the proposed bandwidth is higher for these locations, the price quoted by Atria is still less than those quoted by the other proponents for lesser bandwidth.

The recommended fiber WAN connectivity will provide the Architectural and Technical viability needed in order to meet the increasing demands of delivering services for the Town's residents. Furthermore, it will enable the Town to access key business applications faster across the network, and will position us to easily adopt technologies such as Video Conferencing, Voice over Internet Protocol (VoIP) for telecommunication, Enterprise Geographic Information System applications, Closed Circuit Television (CCTV), Software deployment across the network, supervisory Control and Data Acquisition (SCADA) and Automated Vehicle Location (AVL).

Atria Networks has committed to service credits should there be any interruption of service which they're responsible for by way of a formal Service Level Agreement in the proposal. The credited schedule is escalating based on the number of successive occurrences during the contract period.

In summary, the recommended solution will create a more robust network, where the overall connectivity between the various Town sites will be significantly improved. This pronounced improvement will provide immediate and impactful benefits for all sites, with benefit as much as 50 to 1000 fold capacity increase (depending on the location). It is worth noting that this service enhancement will be realized without impacting the existing operating budget for WAN.

This award is to include two (2) additional sites (Portal Hosting Site (Pullman Court) and Markham Convergence Centre) for WAN connectivity services that have been identified after the contract (339-R-09) has been awarded to Atria Networks. The pricing provided for the two (2) additional sites is consistent with the prices under contract 339-R-09 where Atria Networks was the lowest priced bidder at approx 35% lower than 2nd lowest priced bidder.

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

To:	Jim Baird, Commissioner, Development Services
Re:	276-T-10 Mount Joy Pedestrian Bridge
Date:	March 04, 2011
Prepared by:	Linda Irvine, Manager, Parks & Open Space Development Ext. 2120 Tony Casale, Senior Buyer Ext. 3190

PURPOSE

To obtain approval to award the contract for the installation of a pedestrian pathway and prefabricated pedestrian bridge at Mount Joy Community Centre.

RECOMMENDATION

Recommended Supplier	560789 Ontario Limited o/a R+M Construction (lowest priced supplier)	
Current Budget Available	\$ 192,500.00	Budget allocated for construction / contingency
	\$ 17,325.00	Budget allocated for Internal Management Fee
	\$ 209,825.00	081-5350-8221-005 Mount Joy Pedestrian Bridge & Maintenance Building (Total)
Less cost of award	\$ 168,415.29	Cost of Award (Inclusive of HST)
	\$ 16,841.52	Contingency @ 10%
	\$ 185,256.81	Total Cost of Award
	\$ 16,673.11	Project management fee 9%
	\$ 201,929.92	Total Project award
Budget Remaining after this award	\$ 7,895.08	*

*The remaining balance will be used for consultant and construction costs associated with the parks maintenance building as approved in the 2008 capital budget submission.

BACKGROUND

In 2008, Council approved funding in the amount of \$595,000.00 for the design and construction of a pedestrian bridge and maintenance building at the Mount Joy Community Centre. This contract is for the installation of the pedestrian bridge and associated walkways. The maintenance building will be designed and tendered separately.

The Mount Joy Community Park is an existing park adjacent to the Mount Joy Community Centre. The proposed bridge and pathways are situated within the naturalized corridor running along the east side of the park, north of Sixteenth Avenue, east of Highway 48, and adjacent Brother Andre Catholic High School.

The scope of work involves the installation of a pedestrian pathway and prefabricated bridge connection between the community centre and parkland to the north of Brother Andre Catholic High School. Work includes clearing and grubbing of the proposed route, rough and fine grading, bridge and bridge abutment installation, asphalt paving, and planting.

It is anticipated that the construction of this project will begin July 01, 2011 and be completed by September 15, 2011.

BID INFORMATION

Advertised	ETN
Bids closed on	February 25, 2011
Number picking up bid documents	16
Number responding to bid	9

PRICE SUMMARY

Suppliers	Price (Inclusive of HST)
560789 Ontario Limited o/a R+M Construction	\$ 168,415.29
Rutherford Contracting Ltd.	\$ 177,398.33
Taylor Wakefield General Contractors Limited	\$ 187,408.34
Hawkins Contracting Services Limited	\$ 193,419.30
Pine Valley Enterprises Inc.	\$ 207,169.62
Gateman-Milloy Inc.	\$ 214,038.78
Cedar Springs Landscape Group Ltd.	\$ 217,027.84
G.C. Romano Sons (Toronto) Limited	\$ 234,603.61
MTM Landscaping Contractors Inc.	\$ 262,591.68