



Report to: General Committee

Report Date: March 3, 2014

SUBJECT: Staff Awarded Contracts for the Month of February 2014
PREPARED BY: Alex Moore, Ext. 4711

RECOMMENDATION:

1. THAT the report entitled “Staff Awarded Contracts for the Month of February” be received;
2. And that Staff be authorized and directed to do all things necessary to give effect to this resolution

PURPOSE:

To inform Council of Staff Awarded Contracts >\$50,000 for the month of February 2014 as per Purchasing By-law 2004-341.

BACKGROUND:

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 Purchasing By-Law delegates authority to staff to award contracts without limits if the award meets the following criteria:

- The award is to the lowest priced bidder
- The expenses relating to the goods / services being procured is included in the approved budget (Operating/Capital)
- The award of the contract is within the approved budget
- The award results from the normal tendering process of the City (i.e. open bidding through advertisements that meet transparency and enables open participation)
- The award is to the lowest priced bidder
- The term of the contract is for a maximum of 4 years
- There is no litigation between the successful bidder and the City at the time of award
- There are no bidder protests at the time of contract award

If one (1) of the above noted criteria is not met then any contract award >\$350,000 requires Council approval.

Where the contract being awarded is a Request for Proposal (RFP) the approval authority limits of staff is up to \$350,000.

Community & Fire Services

Award Details	Description
Lowest Priced Supplier	<ul style="list-style-type: none">• 308-Q-13 Supply and Delivery of Steel Manholes and Catch Basins• 307-T-13 Citywide Routing, Cleaning and Sealing of Cracks in Asphalt• 300-Q-13 Interior Renovations at Unionville and Milliken Mills Library• 299-T-13 Flushing and Cleaning of Sanitary Sewers on Various Streets• 014-Q-14 Supply and Delivery Three Jeep Cherokee Sport Vehicle
Highest Ranked / Lowest Priced Supplier	<ul style="list-style-type: none">• 296-R-13 Consulting Services for Water Quality Model Calibration Study
Highest Ranked / Eighth Lowest Priced Supplier	<ul style="list-style-type: none">• 309-R-12 Creative Design Services for the Flato Markham Theatre
Preferred Supplier	<ul style="list-style-type: none">• 036-S-14 City-wide Mailing of Tax Bills for 2014

28/03/2014

X 

Joel Lustig
Treasurer

01/04/2014

X 

Trinela Cane
Commissioner, Corporate Services



STAFF AWARD REPORT

To:	Brenda Librecz, Commissioner, Community & Fire Services
Re:	308-Q-13 Supply and Delivery of Steel Manholes and Catch Basins
Date:	January 24, 2014
Prepared by:	Mike Brady, Supervisor, Contract Administration, ext 2316 Patti Malone, Senior Buyer, ext. 2239

PURPOSE

To obtain approval to award of the contract for the supply and delivery of steel manholes and catch basins for three year period at the same itemized pricing.

RECOMMENDATION

Recommended Supplier (s)	Cedar Infrastructure Properties Inc. (Lowest Priced Supplier)	
Current Budget Available	\$ 5,141,400.00	050-6150-14181-005 – Asphalt resurfacing
Less cost of award	\$ 28,136.64	2014 Inclusive of HST (Year 1)
	\$ 28,136.64	2015 Inclusive of HST* (Year 2)
	\$ 28,136.64	2016 Inclusive of HST* (Year 3)
	\$ 84,409.92	Total award Inclusive of HST
Budget Remaining after this award	\$ 5,113,263.36	* *

* Subject to Council approval of the 2015 & 2016 capital budgets.

**The remaining balance will be used for asphalt resurfacing, pavement prevention, concrete, interlock, material testing and other items as budgeted for within the annual asphalt resurfacing program.

BACKGROUND

The steel catch basin and manhole frames and grates supplied under this contract will be used in roadways under the rehabilitation program. During the course of construction, deficient frames and grates are identified and replaced with new steel. The quantities of steel required have been estimated based on the number of units replaced during previous construction seasons.

BID INFORMATION

Advertised	ETN
Bids closed on	December 19, 2013
Number picking up bid documents	12
Number responding to bid	3*

* One bid, Wolseley Canada – Lowest Priced Bidder (Not Recommended). After a review of external references, Staff recommend not awarding the Contract due to poor references. Under the General Terms and Conditions, the City has the right not to award to the lowest priced Bidder if the Bidder's reference checks do not meet or exceed the expectations of the City.

PRICING SUMMARY

Suppliers	Price (Inclusive of HST)
Cedar Infrastructure Properties Inc.	\$28,136.64
Wamco Supply	\$28,308.61
Ore Construction Ltd.	\$46,901.18

Note: Compared with the 2010-2013 contractual pricing these costs represents a 19% increase, however prices are firm fixed for three years.



STAFF AWARD REPORT

To:	Andy Taylor, Chief Administrative Officer
Re:	307-T-13 Citywide Routing, Cleaning and Sealing of Cracks in Asphalt
Date:	January 27, 2014
Prepared by:	Mike Brady, Supervisor, Contract Administration, ext. 2316 Patti Malone, Senior Buyer, ext. 2239

PURPOSE

To obtain approval to award the contract for Routing, Cleaning and Sealing of Cracks in Asphalt at various locations for a period of (4) four years ending December 31, 2017 at the same itemized price.

RECOMMENDATION

Recommended Supplier (s)	Metro Asphalt Sealer & Repairs Ltd. (Lowest Priced Supplier)	
Current Budget Available	\$ 5,089,746.62	050-6150-14181-005 Asphalt Resurfacing
Less cost of award	\$ 113,686.27	2014 Inclusive of HST
	\$ 113,686.27	2015 Inclusive of HST*
	\$ 113,686.27	2016 Inclusive of HST*
	\$ 113,686.27	2017 Inclusive of HST*
	\$ 454,745.08	
Budget Remaining after this award	\$ 4,976,060.35	**

*Subject to council approval of the annual Capital budget submission.

**Balance remaining to be spent on asphalt resurfacing, pavement prevention, concrete, interlock and other items as budgeted for within the project.

BACKGROUND

The services provided under this tender are part of pavement preservation. Typically streets are routed and sealed between 7-10 years of age. Routing and sealing involves the sealing of existing cracks in order to prevent water infiltration into the sub-surface layers causing further damage to the surface layer.

BID INFORMATION

Advertised	ETN
Bids closed on	January 9, 2014
Number picking up bid documents	9
Number responding to bid	7

PRICING SUMMARY

Suppliers	Unit Price per Linear Meter (Inclusive of HST)	Price (Inclusive of HST)*
Metro Asphalt Sealer & Repairs	\$1.00	\$ 113,686.27
Upper Canada Asphalt Inc.	\$1.44	\$126,446.98
J. Dilorio Construction Ltd.	\$1.52	\$172,849.54
A-1 Asphalt Maintenance Ltd.	\$1.53	\$174,009.60
Roadmaster Road Construction	\$1.59	\$180,969.98
Multiseal Inc.	\$1.77	\$201,851.14
MSO Construction Limited	\$3.82	\$435,024.00

* Prices are firm, fixed and not subject to any escalation clauses for the four (4) year period (2014-2017). Compared to the previous contract from 2011-2013 the new unit price represents an 11% decrease, however the estimated usage has gone up from 70,000 to 114,000 linear metres ($\$0.98 \times 114,000 \times 1.0176 = \$113,686.27$).



STAFF AWARD REPORT

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To:	Andy Taylor, Chief Administrative Officer
Re:	300-Q-13 Interior Renovations at Unionville and Milliken Mills Library
Date:	January 27, 2014
Prepared by:	Jason Vasilaki, Project Manager, Ext. 2845 Patti Malone, Senior Buyer, Ext. 2239

PURPOSE

To obtain approval to award the contract for the interior renovations at Unionville and Milliken Mills Library.

RECOMMENDATION

Recommended Supplier	P&C General Contracting (Lowest Priced Supplier)	
Current budget available	\$ 93,354.27	Various accounts (see under Financial Considerations)
Less cost of award	\$ 92,246.46	Award amount
	\$ 9,224.64	Contingency (10%)
	\$ 101,471.10	Total Cost of Award
Budget Remaining after this award	\$ (\$8,116.83)	*

*Shortfall of (\$8,116.83) will be funded from the Capital Contingency, project #6395.

Note: Capital project #'s 13254 & 13308 did not include budget for an consultant, however, an architect consultant was retained by the User Department to design the renovations at both branches as it was required under the building code.

BACKGROUND

Existing large public service desks at Unionville and Milliken Mills library locations are to be replaced with the more current smaller self-checkout desks. These renovations will increase public space, improve service and improve accessibility, thereby increasing service levels at both branches. An architect consultant was retained to design the renovations at both branches, as required by building code.

This project was initially released to the market in August 2013 with the lowest priced bid at that time coming in at \$118,041.60 which was over budget. This bid was subsequently cancelled due to these budgetary issues with Staff undertaking value engineering to reduce costs and subsequently, retendering in November 2013 under 300-Q-13. By completing these value engineering and redesigned initiatives, Staff was able to reduce the cost of this award by \$25,795.14 compared to the quotation in August 2013 (\$118,041.60).

The work at Milliken and Unionville is projected to be awarded late-January, 2014 and completed by August, 2014.

BID INFORMATION

Advertised	ETN
Bid closed on	December 17, 2013
Number picking up document	29
Number responding to bid	10

PRICE SUMMARY

Suppliers	Bid Price (Incl. of HST)*
P & C General Contracting	\$92,246.46
United Contracting Inc.	\$98,707.20
Marek Pioneer Construction	\$99,164.10
Silver Birch Contracting Ltd.	\$102,576.12
R-chad General Contracting Inc.	\$119,771.52
Domain Design Inc.	\$124,296.79
ONIT Construction Inc.	\$130,426.81
MN Dynamic Construction Ltd.	\$135,144.40
Dontex Construction Ltd.	\$167,615.00
Pops Restoration Ltd.	\$178,843.20

FINANCIAL CONSIDERATIONS

Account Name	Account #	Budget	Spent to Date	Budget Remaining	Amount to Allocate to Award	Budget Remaining
Library Facility Improvements	750-101-5399-13308	\$75,300	\$20,665	\$54,635	\$54,635	\$0
MM Library Info/ Circulation Workstation	076-6150-13254-005	\$50,900	\$12,181	\$38,719	\$46,836	(\$8,117)
Total		\$126,200	\$32,846	\$93,354	\$101,471	(\$8,117)

*Shortfall of (\$8,116.83) will be funded from the Capital Contingency, project #6395. Shortfall is a result of the need to retain an architect to perform design work that was not initially budgeted for. The need for an external design consultant could not be identified until conceptual design was completed with stakeholders.



STAFF AWARD REPORT

To:	Brenda Librecz, Commissioner, Community and Fire Services
Re:	299-T-13 Flushing and Cleaning of Sanitary Sewers on Various Streets
Date:	January 28, 2014
Prepared by:	Eddy Wu, Ext. 2445 Rob Slater, Ext. 3189

PURPOSE

To obtain approval to award the contract for routine flushing and cleaning of sanitary sewers on various streets; emergency clearing of blockages; and the removal and haulage of sewage waste for a period of one (1) year January 1 to December 31, 2014.

RECOMMENDATION

Recommended Supplier	D. M. Robichaud Associates Limited. (Lowest Priced Supplier)	
Current budget available	\$ 127,500.00	760-510-5300 Waterworks Construction
Less cost of award	\$ 127,500.00	(Inclusive of HST)
Budget Remaining after this award	\$ 0.00	

BACKGROUND

Waterworks utilizes contracted services to perform routine City-wide flushing and cleaning of sanitary sewers as part of a preventative maintenance program in the sanitary sewer system. The purpose is to achieve a service level for flushing and cleaning all sanitary sewers once every 5 years. This requires flushing and cleaning of approximately 130-150 kilometers of sewer per year. The contractor is also available to assist waterworks staff in clearing blockages in the sanitary sewer system on an emergency basis, and also for the removal and haulage of sanitary sewage on an emergency basis. The use of contractors for this routine work permits City staff to focus on corrective maintenance in the system and customer service.

BID INFORMATION

Advertised	ETN
Bids closed on	December 3rd, 2013
Number picking up bid documents	10
Number responding to bid	3

PRICE SUMMARY

Suppliers	Price, Inclusive of HST
D. M. Robichaud Associates Limited	\$ 195,592.90*
Empipe Solutions Ltd.	\$ 205,066.75
Capital Sewer Services Inc.	\$ 341,150.40

*The bid price submitted by the low bidder is approximately 56% higher than was quoted when this project was last tendered in 2010. From discussions with the contractor it was determined that market prices have increased mainly due to increases in operating costs (e.g. union agreements and fuel costs). Since the cost of this award exceeds the budget, it is recommended to award a contract for a one (1) year term, instead of the intended three years, then re-tender the contract again with the anticipation of attracting more competitive pricing in 2015/16. Staff will use its best efforts to limit the expenditures for this contract and are recommending approving the contract to the budget amount allocated for this project. Waterworks will also request for operating budget increase in 2015 to meet current market prices for this contract.



STAFF AWARD REPORT

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To:	Paul Ingham, Director Operations
Re:	014-Q-14 Supply and Delivery Three Jeep Cherokee Sport Vehicle
Date:	February 10, 2014
Prepared by:	Laurie Canning, Manager, Fleet and Suppliers, ext. 4896 Patti Malone, Senior Buyer, ext. 2239

PURPOSE

To obtain approval to award the contract for supply and delivery three (3) Jeep Cherokee Sport Vehicle.

RECOMMENDATION

Recommended Supplier (s)	Maciver Dodge Limited (Lowest Priced Supplier)	
Current Budget Available	\$ 124,697.00	Various Accounts (see Financial Considerations)
Less cost of award	\$ 72,897.81	Inclusive of HST
Budget Remaining after this award	\$ 51,799.19	*

* A portion of this balance in the amount of \$7,800 will be utilized for "Markhamizing" the units. The balance remaining of \$43,999.19 will be returned to the original funding source.

The favourable budget can be attributed to the following:

Unit 9091 is being replaced with an alternative vehicle type compared to that specified in the approved budget. Through consultation with the user department (Fire and Emergency Services), this vehicle has been right sized from a mid size hybrid vehicle (Toyota Camry Hybrid) to a Mid Size 4x4 utility model able to provide reliable service and meet the requirements of the department service levels for emergency response in all extreme weather events.

Unit 9092 and 9093 (Toyota Highlander Hybrid) are being replaced with lower cost 4 x 4 utility vehicles (Jeep Cherokee Sport).

BACKGROUND

One of the vehicles identified for replacement in this report was identified in the 2013 Corporate Fleet Replacement Program and two were identified in the 2014 Corporate Fleet Replacement. Units in this award have had condition assessments completed by Fleet staff and meet the requirements of the Fleet Replacement Guidelines.

Fleet staff continues to work with user departments to specify vehicles and equipment that meet their needs. Consideration to "right sizing" units for the vehicle's duty cycles is a key factor in the reliability of the unit along with meeting the anticipated life cycle requirements of the unit.

Upon delivery of the new vehicles, the following units: 9091, 9092 and 9093 will be sold in accordance with Purchasing By-law 2004-341, Part V, Disposal of Personal Property and proceeds be posted to account 890 890 9305.

BID INFORMATION

Advertised	ETN
Bids closed on	January 29, 2014
Number picking up bid documents	8
Number responding to bid	7

DETAILED PRICING INFORMATION**(Qty 3) – Jeep Cherokee Sport – Replaces unit 9091, 9092 and 9093**

Suppliers	Price (Inclusive of HST)
MacIver Dodge Limited	\$72,897.81
Scarboroughtown Chrysler	\$73,599.96
Hunt Chrysler	\$73,917.45
Centennial Chrysler Dodge Jeep Ram	\$74,265.47
Downsview Chrysler Plymouth (1964) Ltd.	\$74,610.43
Performance Chrysler	\$74,900.45
Woodbine Chrysler Ltd.	\$77,449.54

FINANCIAL CONSIDERATIONS

Project & Description	Unit # being replaced	Model ID	Budget allocation	Cost of the Award (Incl. HST)	Budget Remaining	Markhamizing Costs	Budget Remaining after Markhamizing
2013 Corp Fleet Replacement Program - Fire 057-6150-13402-005	9091	Jeep Cherokee Sport 4WR 4X4, Mid Size 4-door sedan in budget	35,800.00	24,299.27	11,500.73	2,600.00	8,900.73
2014 Corp Fleet Replacement Program - Fire 057-6150-14231-005	9092, 9093	Jeep Cherokee Sport 4WR 4X4	88,897.00	48,598.54	40,298.46	5,200.00	35,098.46
Total			124,697.00	72,897.81	51,799.19	7,800.00	43,999.19



STAFF AWARD REPORT

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To:	Andy Taylor, Chief Administrative Officer
Re:	296-R-13 Consulting Services for Water Quality Model Calibration Study
Date:	January 13, 2014
Prepared by:	Shu Min Gao, Water System Engineer, Waterworks, ext. 6230 Robert Slater, Senior Construction Buyer, ext. 3189

PURPOSE

To obtain approval to award the contract for Consulting Services for Water Quality Model Calibration Study.

RECOMMENDATION

Recommended Supplier (s)	Stantec Consulting Ltd. (Highest Ranked/Lowest Priced Supplier)	
Current Budget Available	\$ 101,800.00	760-101-5699-13717 Water System Hydraulic Modeling
Less cost of award	\$ 148,465.80	Inclusive of HST
Budget Remaining after this award	\$ (46,665.80)	*

* The shortfall will be funded from the Waterworks Capital Contingency project, which has a current balance of \$100,000.

Staff had underestimated the cost of this work since this is the first time the City has engaged in such an extensive water distribution system water quality study. No municipalities in the surrounding area have carried out similar water quality studies; hence there is no benchmark available at the time of developing the budget to assess the required level of effort and expertise of the various consulting firms to complete this work.

Staff do not recommend deferring this project due to the following reasons:

- This project's deliverable, an electronic Water Quality Model, can be used as a risk mitigation tool for predicting water quality incidents in the distribution system based on the quality of water supplied to Markham by York Region.
- This project will assess the appropriateness of the City's current dead end flushing program. The assessment will optimize the flushing duration and flushing frequency while meeting water quality regulatory requirements, thereby controlling non-revenue water quantities. This may reduce City labour cost for this activity while still meeting the regulated chlorine residual limits.
- This project can help to resolve top management's concerns on variable water supply quality and chlorine seasonality fluctuation. This delivered model will help us understand the City's water distribution system better in terms of how much water quality decay occurs in our local system. We will be able to reverse calculate the supplied water quality we require from York Region and City of Toronto to meet these requirements.
- This model will support the proposed Service Level Agreement (SLA) with York Region. SLA will contain Markham's water quality expectations from York Region.
- York Region expressed their interest in this Water Quality Model Study project, and requested active participation in the project. In 2013 York Region and Newmarket undertook some similar water quality modeling work.
- There is no apparent benefit to defer the project into next year as the three submissions received had very similar price points. The level of effort requested is achievable and two of the three Consulting firms have good experience and qualified staff to undertake the work.

BACKGROUND

The Waterworks department operates and maintains a water distribution system and is responsible to assure the system provide adequate flow while maintaining water quality.

This project's deliverable, Electronic Water Quality Model: will be used as a risk management tool during incidents; will help us address concerns of variable water supply quality and chlorine seasonally fluctuation; can improve the dead end flushing program; will assist staff in proactively addressing water quality issues; can support SLA discussion with York Region.

As part of this award, the consultant will complete the following tasks:

- Propose to the City a Water Quality Model Calibration Strategy for review and approval;
- Select 30 water quality test monitoring locations;
- Conduct continuous water quality monitoring over 24 hours for 30 location; while monitoring 30 distribution system locations, 10 water supply locations needs to be also monitored at the same time;
- Adjust the water quality model input in order for the model results to match field monitoring results (Calibration)
- Validate the model (using different locations other than calibration location, compare model results with field monitoring data to see the model chlorine residual are within acceptable range of field monitored chlorine residual).
- Using the model to evaluate the City's dead end flushing program, optimize flushing duration and frequency considering reducing flushing volume without creating non-compliance incidents.
- Submit the completed digital water quality model that can be run on the City's existing software and a final report to the City for review and acceptance.

Staff released a Request for Proposal (RFP) to retain a consultant for Water Quality Model Calibration Study.

BID INFORMATION

Advertised	ETN
Bids closed on	Dec 5, 2013
Number picking up bid documents	13
Number responding to bid	3*

*This is very specialized work and only a few consultants have the specialized staff and expertise satisfactorily meet our needed requirements.

PROPOSAL EVALUATION

The evaluation team was comprised of staff from the Waterworks Department with Purchasing staff acting as the facilitator. The evaluation was based on pre-established evaluation criteria outlined in the Request for Proposal: 20% qualifications and experience of the consulting firm, 20% acceptable work plan and approach to achieve objectives, 30% project management and 30% price, totaling 100%, with the resulting scores as follows:

Suppliers	Total Score	Rank
STANTEC Consulting Ltd.	97.00	1
AECOM Canada Ltd.	90.38	2
XCG Consultants Ltd.	61.58	3

Staff is recommending the highest ranked, lowest priced bidder Stantec Consulting Ltd. be awarded this contract as their proposal demonstrated to the City's satisfaction that they have the experience and capability to undertake projects of similar size and scope. They have a good understanding of the project related requirements, provided satisfactory methodology and work plan. Feedbacks from reference checks also confirmed that Stantec is a qualified firm with experienced engineers. Staff is confident they will perform well.

Stantec was also recently used by York Region in some of their water quality modeling so staff is confident that they can bring the necessary expertise to this work.

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

To:	Andy Taylor, Chief Administrative Officer
Re:	309-R-12 Creative Design Services for the Flato Markham Theatre
Date:	November 1st, 2013
Prepared by:	Wendy Woof-Severn, Marketing and Development Manager, Ext. 5580 Alex Moore, Senior Manager, Purchasing & Accounts Payable, Ext. 4711

PURPOSE

To obtain approval to award this contract for Creative Design Services for the Flato Markham Theatre for a an initial contract term of 1 year from January 1, 2014 to December 31, 2014 with an option to extend for two (2) additional one (1) year terms based on the same 2014 itemized pricing.

RECOMMENDATION

Recommended Supplier	Wylde Creative Solutions Inc. (Highest Ranked / 8 th Lowest Priced Supplier)	
Less Cost of award	\$ 45,000.00	Year 1, January 1, 2014 to December 31, 2014*
	\$ 45,000.00	Year 2, January 1, 2015 to December 31, 2015*
	\$ 45,000.00	Year 3, January 1, 2016 to December 31, 2016*
	\$ 135,000.00	Total cost of award**
Budget Remaining after this award	\$ 114,000.00	

The remaining \$114,000 will be used for budgeted requirements such as media advertising, public relations services, brochure printing and other advertising requirements as needed.

* Subject to Council approval of 2014-2016 Operating budgets.

** Includes impact of HST

BACKGROUND

The Theatre offers a wide range of programs, such as community performances, educational programs and ten series of professional shows as well as special events /galas. This contract is for creative design services for all programs including but not limited to season brochure, house programs, newspaper advertisements, and postcards with the annual estimated quantities identified below. The award combines the cost of advertising with that of printing services. By combining the printing and advertising into one contract at the cost of \$45,000 the City achieves savings of \$12,000 and \$7,000 respectively over the 2012 and 2011 expenditures (2012: \$57,162 and 2011: \$52,186).

Description	Est. Annual Quantity
Season Brochure	1
House Programs & inserts	8
Newspaper Print Advertisements - Template	50
Postcards	10
Weekly E news	80
Posters and Coupons	80
Banners and Signs	12

BID INFORMATION

Advertised	Electronic Tendering Network
Bids closed on	September 5 th , 2013
Number picking up bid documents	69
Number of companies responding to bid	13

PROPOSAL EVALUATION

The Evaluation Team for this RFP was comprised of staff members from Theatre and Purchasing staff acting as the facilitator. The proposals were evaluated based on pre-established evaluation criteria as listed in the RFP with results illustrated in Table A: 10% Qualification and Experience of Designer; 30% Creativity and Style; 30% Project Delivery and 30% price for an overall total of 100%.

Suppliers	Total (out of 100)
Wylde Creative Solutions Inc.	87.57
Spark	82.68
Creative Edge Design	78.34
Imprint	74.33
Foxx	73.68
BF Designs	73.44
Silverstreak (Candice Drover)	72.50
Oxford Media	70.86
Spotvin	66.42
Wide Edyed Comm.	65.81
GM Landis	64.06
The Spanning Tree	63.82
Elly Fox	41.75

Note: Prices ranged from \$35,972 to \$45,792

Wylde Creative Solutions Inc., the recommend bidder, provided a thorough submission which demonstrated their experience in the entertainment industry and provided in detail information related to the project scope of the Request for Quotation.

They provided the strongest designs in their submission, which showed their experience, creativity, knowledge of current branding and solid understanding and expertise related to entertainment/theatre industry with relevant design skills. Additionally, they provided no restrictions to the project delivery and confirm their understanding of meeting tight timelines.

Although there was a basic skill level shown across submissions, many of the submissions failed to provide creativity in their sample concepts, did not have relevant experience, did not comply with criteria outlined in the RFQ document, lacked detailed work flow information.

FINANCIAL CONSIDERATIONS

Account name	Account #	2014 Budget Amount	Amount to be allocated	Budget Remaining
Discretionary Advertising	530-534-5801	130,000	36,000	94,000
House programs	530-534-5832	29,000	9,000	20,000
Totals:		159,000	135,000	114,000

Subject to Council approval of the 2014-2016 Operating budgets.

The remaining \$114,000 will be used for budgeted requirements such as media advertising, public relations services, brochure printing and other advertising requirements as needed. In the past, listed accounts are typically unfavourable to budget (3-year average spend of \$182,514) and identified savings will offset the unfavourability to budget. Therefore, the 2014 Operating budget is maintained at the 2013 base level.



STAFF AWARD REPORT

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To:	Joel Lustig, Treasurer
Re:	036-S-14 City-wide Mailing of Property Tax Bills for 2014
Date:	December 20, 2013
Prepared by:	Shane Manson, Senior Manager, Revenue & Property Tax

PURPOSE

To approve the annual contract for postage for City-wide mailing of tax bills and other tax related items in 2014.

RECOMMENDATION

Recommended Supplier	Canada Post Corporation (Preferred Supplier)	
Budget and Account #	\$258,600.00	410 432 5110 Postage (2014)
Property Tax Bills	\$154,085.35	Inclusive of HST
Other (Overdue, Charges to Tax Roll)	\$ 32,370.00	
Total Award	\$186,455.35	
Budget Remaining after award	\$ 72,144.65	*

*The remaining balance will be utilized for other non-property tax related postage requirements as budgeted for in the 2014 operating account.

Staff further recommends:

In accordance with the City's Expenditure Control Policy dated June 2011, Item 8.05 (Treasurer's Authority) states; "Despite any other provision in this policy, the Treasurer is authorized to pay the following accounts provided that funds are available in the Operating Budget...(c) all accounts for telephones, postage and utilities supplied to Markham;"

BACKGROUND

Each year, the City of Markham mails property owners the interim and property tax bills. In addition to the regular mailings, the City of Markham mails the supplementary tax bills several times per year for properties that are new or are improved as determined by the Municipal Property Assessment Corporation (MPAC).

Currently, Canada Post is the only provider that can accommodate this type of work as the property tax bills must be mailed to the individually addressed property owners. The chart below shows the tax bill mailings for 2013. The average cost per mailing is \$0.72 and the Canada Post increase for 2014 is 19%, therefore, the 2014 average cost per envelope will be \$0.83, effective April 1, 2014.

FINANCIAL CONSIDERATIONS

It is estimated that the volume for 2014 will increase from 218,645 to 224,645 tax bill mailings (estimated 3,000 new accounts at 2 bills per year = 6,000 mailings). Other fee items such as overdue notices and new account set up fees totaled 39,000 mailings in 2013. This level is expected to be maintained in 2014. Please see detail below:

FINANCIAL CONSIDERATIONS (Continued)

# of Mailings – Property Tax Bills	2014 Estimate	Comments
(A) 2014 Billings (Tax Bills & Notices)	179,645	
\$/Mailing (incl. HST impact)	\$0.83	Canada Post estimated increase by 19% from 2013 rates. (Effective April 1, 2014)
(A) 2014 Estimated Cost	\$149,105.35	
<u>(B) # of Mailings – Other</u>		
2014 activity	39,000	
\$/Mailing (incl. HST impact)	\$0.83	Canada Post estimated increase by 19% from 2013 rates.
(B) 2014 Estimated Cost	\$32,370.00	
(C) New accounts on tax roll	6,000	New accounts (Interim & Final billing, 3000 per)
\$/Mailing (incl. HST impact)	\$0.83	Canada Post estimated increase by 19% from 2013 rates.
(C) 2014 Estimated New Account Cost	\$4,980.00	
Total Cost (A+B+C)	\$186,455.35	Inclusive of HST