

STAFF REPORT: FINANCIAL SERVICES



REPORT TO: Council
MEETING DATE: March 5, 2007
REPORT NO.: FS.07.06
SUBJECT: Award of TBM-2007-01 "Harbour Replacement and Installation of "H" Dock"
PREPARED BY: Shawn Everitt, Director of Recreation, Ryan Gibbons, Harbour Supervisor and Sherri Adams, Manager of Purchasing

A. Recommendations

THAT Council does award the RFP TBM-2007-01 Harbour Replacement and Installation of "H Dock" to Huron District Contracting in the amount of \$115,000.00 plus GST;

AND THAT Council does authorize the Mayor and Clerk to execute the contract documents with Huron District Contracting related to the dock replacement RFP TBM-2007-01.

B. Background

The reconstruction of the existing dock system at the Thornbury Harbour is a continuing project planned over the next 5 years to provide an upgrade in safety and quality.

Bids were received on February 14th, in response to an RFP issued by the Town for the Replacement and Installation of "H" Dock.

Bids Received:

Weatherall Dock & Dredge Option 1	\$130,500 (not including GST)
Option 2	\$125,500 (not including GST)
Huron District Contracting	\$118,826 (not including GST)
Kropf Industrial Inc.	non compliant bid, can't meet deadline

Staff appeared before Council on the 19th of February requesting that Council adopt the recommendation that no award be made at that time, and further that Staff investigate other options for the completion of dock works at Thornbury Harbour for 2007 and future budget years.

Staff utilized section 16 of the Purchasing By-Law "Purchase by Negotiations" which states:

The Department Head in consultation with the CAO may, under the following conditions, negotiate with one or more bidders and in such cases the requirement for inviting Tenders or Quotations is waived:

(d) Where the lowest Tender or Quotation meeting specifications substantially exceeds the estimated cost and it is impractical to recall the Tenders or Quotations.

Town Staff met with Huron District Contracting on February 21st to negotiate a possible price reduction in order to enter into a contract to complete the dock works within the Harbour's Budget, while maintaining quality of product. The meeting was very successful for the Town resulting in a price reduction to within budget and an increase in the product warranty.

Additional costs associated with Salaries and Wages to remove the existing "H" dock in the Capital Expenditures will be offset by the total under spending in operational Salaries and Wages. The material recovered from "H" Dock is going to be used to reinforce the stability of "E" dock until such time as it can be reconstructed. There are no contingencies required for the "H" Dock Project.

Harbour Staff is continuing their research into other options for the completion of future dock work.

C. The Blue Mountains' Strategic Plan

The replacement and installation of "H" dock will improve the safety and overall appearance of the dock system currently in place at the Harbour. The completed project supports the development of social and recreational programs to meet the broad range of the needs in the community.

D. Budget Impact

	Budget
Expenditure	\$115,000
Federal Funding	<u>\$ 40,000</u>
Balanced to be recovered	\$ 75,000
From Harbour user fees	

E. Attached

Contract Agreement between Huron District Contracting and the Town initialled by the CAO, Acting Director of Finance and the Town's solicitor

Respectfully submitted,

Shawn Everitt

Ryan Gibbons

Sherri Adams