

The Regional Municipality of York

Housing York Inc.
September 6, 2018

Report of the
General Manager
and
Chief Financial Officer

Quarterly Contract Awards
April 1, 2018 to June 30, 2018 and
Summer Recess Contract Award

1. Recommendation

It is recommended that the Board receive this report for information.

2. Purpose

This report advises the Board of Directors of all contracts over \$100,000, awarded by the President, from April 1, 2018 to June 30, 2018, as required by the Purchasing Bylaw No. 6-14. It also advises the Board of emergency and summer recess contract awards.

3. Background

The Purchasing Bylaw requires quarterly reporting to the Board of contract awards over \$100,000

The Purchasing Bylaw requires contract awards be reported quarterly to the Board.

The Bylaw also requires goods and services exceeding \$100,000, be purchased through a request for proposal or tender. The Bylaw's terms and conditions approved by the Board are:

- Housing York Inc. (Housing York) will use the Region's procurement services as its agent to facilitate the issuance of requests for tenders,

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proposals, Expressions of Interest and pre-qualification. The General Manager will report to the Board and make the award

- The call for tenders and proposals documentation shall be circulated and advertised in as wide and extensive a manner as will ensure the most competitive responses
- Every tender and proposal received will be opened in public, at a specific date and time, and a written record of all bids received will be made
- The evaluation of all bids received shall be fair and complete
- Any irregularities, except those specifically identified in the Tender/Proposal Procedures portion of the bid documentation, shall be referred to the Bid Review Committee

The President has the authority to award contracts provided that:

- The award is made to the lowest successful bidder
- Total cost does not exceed \$500,000

In bid invitations where only one bid is received, staff determine whether to award the contract or not depending on whether there is evidence of good value.

Evidence of good value can be:

- Consistency with pre-tender scope of work and cost estimates
- Consistency with previous similar contracts
- Consistency with prices obtained by other municipalities for similar goods and services

The Purchasing Bylaw requires reporting of contract awards made during summer recess

The Purchasing Bylaw indicates that:

- Despite any other provision of this Bylaw, during any period that regular Board or Shareholder meetings are suspended either during a summer recess or for any other reason, or during the period that the acts of the Shareholder are restricted under Section 275 of the *Municipal Act, 2001*, the President shall be authorized to award any contract

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- A report shall be submitted to the Board as soon as reasonably possible setting out the details of any contract awarded under this authority

4. Analysis and Implications

Table 1 provides a list of the contracts awarded by the President from April 1, 2018 to June 30, 2018.

The vendors identified in each of the contracts awarded in Table 1 submitted the lowest compliant bid.

Table 1
2018 Second Quarter Contract Awards
April 1, 2018 to June 30, 2018

Contract Description		
T-17-144 Elevator Modernization and Maintenance at Fairy Lake Gardens in the Town of Newmarket Supply all labour, materials and equipment and transportation to complete the Elevator Modernization at Fairy Lake Gardens Term: 165 working days from Notice to Commence Work	Number of Bids	3
	Vendor	CEE Elevator Service Ltd.
	Amount	\$328,856.24
T-17-145 Elevator Modernization and Maintenance at Oxford Village in the Town of East Gwillimbury Supply all labour, materials and equipment and transportation to complete the Elevator Modernization at Oxford Village. Term: 135 working days from Notice to Commence Work	Number of Bids	3
	Vendor	Elevator One Inc.
	Amount	\$122,952.00

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Contract Description		
<p>T-18-61 Make-up Air Unit Replacement and Roof Screen Installation at Hadley Grange in the Town of Aurora</p> <p>Supply all labour, materials and equipment and transportation to complete the Make-up Air Unit Replacement and Roof Screen Installation at Hadley Grange.</p> <p>Term: 115 working days from Notice to Commence Work</p>	Number of Bids	1
	Vendor	Combined Air Mechanical Services
	Amount	<p>\$345,640.00 (Contract not awarded – cancelled as of August 16, 2018)</p>
<p>T-18-67 Elevator Modernization and Maintenance at Dunlop Pines in the Town of Richmond Hill</p> <p>Supply all labour, materials and equipment and transportation to complete the Elevator Modernization at Dunlop Pines.</p> <p>Term: 165 working days from Notice to Commence Work</p>	Number of Bids	3
	Vendor	Delta Elevator Company Ltd.
	Amount	\$470,700.00
<p>T-18-72 Elevator Modernization and Maintenance at Heritage East in the Town of Newmarket</p> <p>Supply all labour, materials and equipment and transportation to complete the Elevator Modernization at Heritage East.</p> <p>Term: 150 working days from Notice to Commence Work</p>	Number of Bids	3
	Vendor	CEE Elevator Service Ltd.
	Amount	\$346,475.00

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Contract Description		
T-18-127 Roof Replacement at Pineview Terrace in the Town of Georgina Supply all labour, materials and equipment and transportation to complete the Roof Replacement at Pineview Terrace. Term: 50 working days from Notice to Commence Work	Number of Bids	3
	Vendor	Proteck Roofing & Sheet Metal Inc.
	Amount	\$274,664.00

A contract extension was awarded by the President on an emergency basis

Housing York Inc. has publicly tendered the laundry services in its buildings since 2001. The laundry service agreement is a revenue generator for Housing York. Sparkle Solutions has been providing the laundry services for all Housing York properties since the start of the agreement on June 17, 2011.

The existing laundry service agreement expired on June 16, 2018. Sparkle Solutions agreed to continue providing services and associated revenues until the new agreement is in place. The contract extension runs from June 17, 2018 until November 1, 2018. The extension of the agreement was permitted as an emergency under the Purchasing Bylaw and falls within the parameters of an emergency purchase. Contract details are set out in Table 2.

A tender is nearly complete for a new laundry services competitive procurement, and the process is expected to be completed by September 2018.

**Table 2
Emergency Purchase**

Contract Description	Contract Awards	Amount
Cash to Card Operated Laundry Services for Housing York Inc. Contract Extension Term: June 17,2018 to Nov. 1, 2018	Sparkle Solutions	\$ 84,687.57 (Revenue)

A contract was awarded by the President during summer recess

Kitchen, bathroom and powder room replacements at Trinity Square are planned to start in the fall of 2018. Trinity Square is a family townhouse site consisting of 103 units including two, three and four bedroom configurations. The scope of work will include full replacement of 103 kitchens and bathrooms and six powder rooms including flooring, cabinets, countertops, lighting, toilets, bathtubs and plumbing fixtures.

A Request for Tender was prepared and released by Procurement Services in June, 2018. Five contractors were pre-qualified to submit bids. The tender closed July 19, 2018 with a total of two bids received.

Section 7.16 of the Housing York Inc. Purchasing Bylaw, authorizes the President to award any contract during summer recess when regular Board or Shareholder meetings are suspended.

The summer recess contract award was necessary to ensure the construction of the new kitchens and bathrooms would begin by the fall of 2018. This work will continue through the winter months and be completed in the spring of 2019.

Table 3 provides details about the contract awarded by the President during summer recess.

**Table 3
Summer Recess Contract Award**

Contract Description		
T-18-58 Kitchen, Bathroom and Powder Room replacements at Trinity Square Supply all labour, materials and equipment to complete the replacement of kitchens, bathrooms and powder rooms in 100 units at Trinity Square in the City of Markham Term: 160 working days from Notice to Commence Work	Number of Bids	2
	Vendor	Joe Pace & Sons Contracting Inc.
	Amount	\$1,628,977.00

5. Financial Considerations

The contracts awarded are within approved budget. There are no other financial implications.

6. Local Municipal Impact

The awarded work ensures Housing York properties are well maintained optimizing the life expectancy and operational efficiency of facilities and related equipment.

7. Conclusion

The President has delegated authority to award tender and proposal contracts up to \$500,000 under Purchasing Bylaw No. 6-14, provided certain conditions are met and to make emergency and summer recess purchases. This award is in compliance with the Purchasing Bylaw and the authority delegated by the Board.

A new Purchasing Bylaw was approved and effective as of June 28, 2018. Under this new Purchasing Bylaw 1-18, the President has delegated authority to award tender and proposal contracts up to \$1,000,000. All new contracts awarded in Q3 and Q4 of 2018 will comply with the new Purchasing Bylaw No. 1-18.

The contracts awarded in the second quarter of 2018 have a total value of \$1,889,287.24. In addition, an emergency contract award with revenue of \$84,657.57 was completed and a summer recess contract award of \$1,628,977.

For more information on this report, please contact Rick Farrell, General Manager at 1-877-464-9675 ext. 72091.

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The Senior Management Group has reviewed this report.

Recommended by:

Rick Farrell
General Manager

Michelle Willson
Chief Financial Officer

Approved for Submission:

Katherine Chislett
President

August 8, 2018

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Accessible formats or communication supports are available upon request