

To: SPECIAL COUNCIL

Meeting Date: 6/7/2022

Subject: Fountain Street – Cambridge Soccer Complex

Submitted By: Sheryl Ayres, Chief Financial Officer

Prepared By: Dave Mawdsley, Manager of Procurement

Report No.: 22-039-CRS

File No.: Q22-41

Wards Affected: Ward 1

RECOMMENDATION(S):

THAT Report 22-039-CRS Fountain Street – Cambridge Soccer Complex be received;

AND THAT Q22-41 - Fountain Street – Cambridge Soccer Complex be awarded to Gateman-Milloy Inc. of Kitchener. ON. in the amount of \$11,694,340 excluding HST;

AND FURTHER THAT it is recommended to draw \$374,984 from DC Outdoor Recreation and transfer the remaining \$55,089 unspent funding from the existing Fountain Street Soccer Facility Design project A/00471-30 to A/00471-40.

EXECUTIVE SUMMARY:

The City sought competitive quotations from pre-qualified General Contractors for the construction of the Fountain Street Soccer Complex, located at the corner of Fountain Street and Linden Drive, Cambridge, ON.

Staff are recommending that Q22-41 - Fountain Street – Cambridge Soccer Complex be awarded to Gateman-Milloy Inc. of Kitchener. ON. in the amount of \$11,694,340 excluding HST.

STRATEGIC ALIGNMENT:

- ☒ Strategic Action; or
- ☐ Core Service

Objective(s): INCLUSION - Deliver accessible, diverse and inclusive services, programs and infrastructure for all ages and abilities

Strategic Action: Create and activate spaces that offer things for people to do

Program: Not Applicable

Core Service: Not Applicable

BACKGROUND:

The Work includes the construction of an outdoor recreational and competitive sports facility that include sports lighting, high-performance artificial turf sports surfacing, premium natural turf soccer field installation, building installation, site servicing, parking lot installation and landscaping.

ANALYSIS:

In November of 2021, the City issued a Request for Supplier Qualification (RFSQ) process in order to qualify General Contracting companies experienced in undertaking the Work. Six (6) submissions were received and three (3) General Contracting companies were short-listed and invited to participate in the invitational second stage competitive process.

In March of 2022, the City issued a Request for Quotations (Low Bid) to the three (3) pre-qualified suppliers. As stated in the RFQ document pricing was to be evaluated on the combined value of the Schedule of Prices (representing the base bid) and the Schedule of Provisional Prices (representing a schedule of provisional deletions), to determine best overall value for the scope identified.

| Company | City | *Prices |
|---------------------|-----------|----------------|
| Gateman-Milloy Inc. | Kitchener | \$8,488,898.05 |
| 39-Seven Inc. | Guelph | \$8,648,487.67 |
| Ritchfield Inc. | Guelph | \$8,729,644.14 |

*Prices are excluding HST

Gateman-Milloy Inc. provided the lowest price at \$8,488,898.05 in overall value. There was a difference of \$240,746.09 between the highest and lowest bids, or a difference of 2.8%.

The submissions were evaluated based on the combined full values of the Schedule of Prices and the Schedule of Provisional Prices. After review of the submissions by both City staff and project consultants, the scope of work to be awarded to Gateman Milloy

Inc. will carry a total value of \$11,694,340 excluding HST, and in addition to a 5% construction contingency.

EXISTING POLICY / BY-LAW(S):

Under Procurement By-law 19-187, the Manager of Procurement or their designate, who is under the general direction of the Chief Financial Officer, is delegated the authority to approve the award of Tenders and Proposals when all of the following conditions have been satisfied:

- a) when there is sufficient funding, as approved by Council through the budget process and verified by the Finance Division by the Departmental Recommendation to Award Report.
- b) when all procedures in accordance with this By-law, have been followed; and
- c) when the lowest compliant Tender bid or highest scored Proposal is accepted and recommended.

This award requires approval from Council as additional funding is required from some of the funding sources in order to maintain a 5% contingency.

FINANCIAL IMPACT:

After review of the quotations by both City staff and project consultants, the scope of work to be awarded to Gateman Milloy Inc. will carry a total value of \$11,694,340 excluding HST and a 5% construction contingency valued at \$584,717 will be held within the project. In order to maintain a 5% contingency within the project additional funding is required, any unspent funds at the conclusion of the project will be returned to reserve funds.

Table 1 – A/00471-40 Fountain Street Soccer Facility Construction

| Item of Expense | Reserve Fund | Budget | Tender Q22-41* | Other Commitments | Savings/ (Deficit) |
|--|--------------------------|-------------------|-------------------|-------------------|--------------------|
| City Construction | Capital Works | 1,089,622 | | | (1,089,622) |
| City Construction | DC Outdoor Rec | - | 1,519,695 | - | 1,519,695 |
| City Construction | Growth Funded Debt | 9,806,595 | 8,898,017 | 908,578 | - |
| Conestoga Construction | Contribution from Others | 1,562,000 | 1,276,628 | 233,864 | (51,508) |
| Total Project Savings/(Deficit) | | 12,458,217 | 11,694,340 | 1,142,442 | 378,565 |

*Tender amounts are net of applicable HST rebate.

It is recommended to draw \$374,984 from DC Outdoor Recreation and transfer the remaining \$55,089 unspent funding from the existing Fountain Street Soccer Facility Design project A/00471-30 to A/00471-40. The contribution from Conestoga has been reduced to reflect the updated costing for construction items specific to Conestoga.

In addition, as a result of the DC legislative changes in 2019/2020 and the City enacting a by-law amendment to incorporate these in January 2022, the City is no longer required to fund the 10% mandatory deduction from Capital Works Reserve Fund. Therefore, the funding sources have been changed to remove this mandatory deduction returning \$1,089,622 to Capital Works Reserve Fund and drawing the same amount from DC Outdoor Recreation.

PUBLIC VALUE:

The public bidding process ensures the City maintains an open and transparent public process that provides accountability on the utilization of financial resources.

ADVISORY COMMITTEE INPUT:

N/A

PUBLIC INPUT:

The advertising for the RFSQ was as follows:

- a) Advertised on the City's Bids and Tenders website: November 17, 2021
- b) Closing Date: December 8, 2021

The advertising for the RFQ was as follows:

- a) Advertised on the City's Bids and Tenders website: March 15, 2022
- b) Closing Date: April 14, 2022

INTERNAL / EXTERNAL CONSULTATION:

Request for Quotation documents were compiled by Procurement, however the detailed specifications contained within the documents were prepared and submitted to Procurement by Recreation.

CONCLUSION:

It is recommended that Q22-41 - Fountain Street – Cambridge Soccer Complex be awarded to Gateman-Millooy Inc. of Kitchener. ON. in the amount of \$11,694,340 excluding HST.

REPORT IMPACTS:

Agreement: **No**

By-law: **No**

Budget Amendment: **Yes**

Policy: **No**

APPROVALS:

This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:

Director

Deputy City Manager

Chief Financial Officer

City Solicitor

City Manager

ATTACHMENTS:

Not applicable.