

**To:** SPECIAL COUNCIL

**Meeting Date:** 1/31/2023

**Subject:** **Procurements Awarded Under Delegated Council Recess  
Signing Authority Policy**

**Submitted By:** Sheryl Ayres, Chief Financial Officer

**Prepared By:** Dave Mawdsley, Manager of Procurement

**Report No.:** 23-067-CRS

**File No.:** Q22-69, Q22-101 and Q22-105

**Wards Affected:** All Wards

### **RECOMMENDATION(S):**

THAT Report 23-067-CRS Procurements Awarded Under Delegated Council Recess Signing Authority Policy be received.

### **EXECUTIVE SUMMARY:**

#### **Purpose**

This report provides information to Council regarding recent procurements awarded under delegated authority and in accordance with the Council Recess Signing Authority Policy.

#### **Key Findings**

As per the Procurement By-Law, during any Council recess, the City Manager shall be authorized to approve procurements that would normally require Council approval in accordance with the Council Recess Signing Authority Policy.

#### **Financial Implications**

The financial impact of these procurements, as outlined in this report, are:

- \$395,516 in contracting with Kieswetter Excavating Inc. to provide for the removal and disposal of excess materials;
- \$112,400 in contracting with Sousa Concrete to upgrade a section of 150m diameter sanitary sewer pipe; and
- \$92,700 in contracting with Sousa Concrete for the installation of municipal services at 151 Burnham Crescent.

**STRATEGIC ALIGNMENT:**

- ☐ Strategic Action; or
- ☒ Core Service

**Objective(s):** Not Applicable

**Strategic Action:** Not Applicable

**Program:** Procurement

**Core Service:** Procurement

**BACKGROUND:**

Under Article 5.1.1 of the Procurement By-law (19-187) Council delegates purchasing authority to the City Manager, City Solicitor, Deputy City Managers, Directors and Managers, and the Manager of Procurement in keeping with accepted public purchasing practices and in accordance with the applicable federal, provincial and municipal laws and all applicable trade agreements.

The availability of sufficient funding from a budget approved by Council or through authority delegated by Council is required for all purchases as outlined in the Procurement By-law.

During any Council recess, the City Manager shall be authorized to approve procurements that would normally require Council approval in accordance with the Council Recess Signing Authority Policy.

**ANALYSIS:**Q22-69 – Removal and Disposal of Existing Materials

Recently introduced excess soil regulation requires the City to dispose of any excess material not able to be re-used onsite in an environmentally sustainable manner. In order to comply with the regulation the City requires the services of a third-party contractor.

The City of Kitchener, on behalf of the Grand River Cooperative Procurement Group in which the City of Cambridge is an active member, issued a Request for non-binding Quotations for Excess Spoils Management Services in November, 2021. Five (5) submissions were received in which Kieswetter Excavating Inc. was the successful respondent (i.e., lowest priced respondent).

The City has contracted with Kieswetter Excavating Inc. to provide for the removal and disposal of excess materials. Total contract value amounts to \$395,516.

#### Q22-101 – Sanitary Sewer Upgrade – 195 Hespeler Road

The City was required to upgrade a section of 150mm diameter sanitary sewer pipe; excavate, supply, and install, new 300mm sanitary sewer pipe approximately sixteen (16) meters in length and connect into the existing inlet manhole at 195 Hespeler Road.

Two (2) submissions were received in response to the City's Request for Quotations (Low-Bid). The City awarded the procurement to the lowest cost compliant response.

<b>Vendor</b>	<b>Total Price (excl. Tax)</b>
Sousa Concrete	\$112,400
Steed and Evans Ltd.	\$163,000

The City has contracted with 410754 Ontario Ltd. o/a Sousa Concrete to upgrade a section of 150m diameter sanitary sewer pipe. Total contract value amounts to \$112,400 exclusive of applicable taxes.

#### Q22-105 – Grading and Site Servicing – 151 Burnham Crescent

The City required the services of a third-party contractor for the installation of municipal services for 151 Burnham Crescent. All costs associated with this work are to be reimbursed by the homeowner.

Three (3) submissions were received in response to the City's Request for Quotations (Low-Bid). The City awarded the procurement to the lowest cost compliant response.

<b>Vendor</b>	<b>Total Price (excl. Tax)</b>
Kieswetter Excavating Inc.	\$157,500
Sousa Concrete	\$95,900
Steed and Evans Limited	\$131,415

The City has contracted with 410754 Ontario Ltd. o/a Sousa Concrete for the installation of municipal services at 151 Burnham Crescent. Total contract value, including provisional items to be awarded, amounts to \$97,700 exclusive of applicable taxes.

#### **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 procurement was hereby awarded under delegated authority and in accordance with the Council Recess Signing Authority Policy.

## **FINANCIAL IMPACT:**

### Q22-69 – Removal and Disposal of Existing Materials

There have been unforeseen expenses related to the disposal of excess material that is not able to be re-used onsite in environmentally sustainable manners as per excess soil regulations.

In order to comply with the regulations, the City has approved the work under Delegated Authority in accordance with Purchasing By-law 19-187. The City has contracted with Kieswetter Excavating Inc. for an estimated cost of service of \$395,516.

The impact to the Water budget amounts to \$183,022 and is being funded by the Water Rate Stabilization Reserve Fund. The impact to the Wastewater budget amounts to \$98,892 and is being absorbed by the surplus currently forecasted in August. The cost to Roads amounts to \$113,602 and is being absorbed into their operating budget. The financial implications of the disposal of excess materials are outlined in Table 1 – Removal and Disposal of Excess Materials.

**Table 1 – Removal and Disposal of Excess Materials**

<b>Item of Expense</b>	<b>Reserve Fund/Operating Budget</b>	<b>RFQ Q22-69**</b>
101730 - 501023 - Watermain Maintenance	Water Rate Stabilization RF	\$ 91,511
101740 - 501023 - Water Connection Maintenance	Water Rate Stabilization RF	\$ 91,511
101800 - 501023 - Sewer Line Maintenance	Operating Budget	\$ 98,892
101630 - 501027 - Roads Miscellaneous	Operating Budget	\$ 14,385
102740 - 501027 - Machine Sweeping	Operating Budget	\$ 42,994
101700 - 501023 - Regional Road Maintenance	Operating Budget	\$ 56,223
<b>Total Q22-69</b>		<b>\$ 395,516</b>

\*\*Amounts are net of applicable HST rebate.

### Q22-101 – Sanitary Sewer Upgrade – 195 Hespeler Road

Capital project A/01435-40 Sanitary Development 195 Hespeler Road was approved under Delegated Authority in accordance with Purchasing By-law 19-187 to avoid any potential delays in occupancy for the affordable housing development.

The financial implications to capital project A/01435-40 Sanitary Development 195 Hespeler Road are outlined in Table 2 – Sanitary Sewer Development. The City has contracted with 410754 Ontario Ltd. o/a Sousa Concrete to upgrade a 150mm diameter sanitary sewer pipe; excavate, supply and install a new 300 mm sanitary sewer pipe, estimated cost of service is \$114,400.

It is recommended that \$17,200 be funded from Wastewater Capital Reserve Fund and \$97,200 from Development Charges Wastewater Reserve Fund.

**Table 2 – Sanitary Sewer Development**

<b>Item of Expense</b>	<b>Reserve Fund</b>	<b>RFQ Q22-101**</b>
A/01345-40 Sanitary Development 195 Hespeler Rd.	Wastewater Capital RF	\$ 17,200
A/01345-40 Sanitary Development 195 Hespeler Rd.	Development Charges- Wastewater RF	\$ 97,200
<b>Total Q22-101</b>		<b>\$ 114,400</b>

\*\*Amounts are net of applicable HST rebate.

### Q22-105 – Grading and Site Servicing – 151 Burnham Crescent

Capital project A/01436-40 – Wastewater Servicing 151 Burnham Crescent was approved under Delegated Authority in accordance with Purchasing By-law 19-187. Development is currently taking place at 151 Burnham Crescent and requires water and sewer servicing. In order to avoid any delays in development, the City is required to service the property with sanitary connections. The property requires an extension of the sanitary main approximately 25-30 meters long, resulting in an increase to the City's infrastructure inventory. The work is to be paid in its entirety by the developer/property owner.

There will be no financial implications to the City since the developer/property owner will be reimbursing the City for the servicing. The City has contracted with 410754 Ontario Ltd. o/a Sousa Concrete to perform the work, estimated cost is \$97,700, outlined in Table 3 – Wastewater Services – 151 Burnham Crescent.

**Table 3 – Wastewater Services - 151 Burnham Crescent**

Item of Expense	Reserve Fund	RFQ Q22-105**
A/01436-40 -Wastewater Servicing 151 Burnham Crescent	External Recovery - Other	\$ 97,700
<b>Total Q22-105</b>		<b>\$ 97,700</b>

\*\*Amounts are net of applicable HST rebate.

**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 below referenced solicitations were issued as follows:

Q22-69 – Removal and Disposal of Existing Materials

- a) Advertised on the City website: October 25, 2021
- b) Closing Date: November 15, 2021

Q22-101 – Sanitary Sewer Upgrade – 195 Hespeler Road

- a) Advertised on the City website: September 1, 2022
- b) Closing Date: September 15, 2022

Q22-105 – Grading and Site Servicing – 151 Burnham Crescent

- a) Advertised on the City website: September 9, 2022
- b) Closing Date: September 22, 2022

**INTERNAL / EXTERNAL CONSULTATION:**

N/A

**CONCLUSION:**

This report provides information to Council regarding a procurement awarded under delegated authority and in accordance with the Council Recess Signing Authority Policy.

**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:**

N/A