

To: Mayor McKenzie & Members of Council
From: Jeff Brick, Chief Administrative Officer
Subject: Fire Hall Project: Tender Award
Date: March 2, 2020

Recommendation:

That Council for the Municipality of West Perth award the West Perth Fire Hall project to Domm Construction Ltd. in the form of two contracts being a Stipulated Price Contract for construction of the fire hall to be \$1,725,946.00 + HST and a Unit Price Contract for sitework not to exceed \$654,706.00 + HST to be based on unit pricing as broken down in their tender with an estimated start date of May 1, 2020 and 32 weeks allotted for completion and;

That Council for the Municipality of West Perth authorize pre-budget approval for the Construction of the Fire Hall funded using debt financing.

Purpose:

To provide Council with an update on the results of the tender for the West Perth Fire Hall and obtain a resolution from Council to award the contract.

Background:

The tender for a new Fire Hall was posted on Bids and Tenders on January 30, 2020 with an initial closing date of February 20, 2020 which was later moved to February 21, 2020 as an addendum. An optional site meeting was held on February 6, 2020. Addendums and questions were handled through Bids and Tenders.

Twelve tenders were received on the proposed new West Perth Fire Hall. The three low tenders had a spread of \$125,097.05 or 8%. The Building Committee met on February 26, 2020 and Dawley Engineering provided review of the three low tenders (Domm, Aveiro and Van Pelt) to the Building Committee outlining building cost, site work cost, options, subtrades and time for completion. A number of items not included in the building construction and site works components of the project were also reviewed. These include items such as existing contracts for design, tendering and site supervision services (Dawley Engineering and MTE) and the cost for the supply of a diesel generator which will be added through a separate contract.

Based on Dawley review and discussion, the Building Committee recommends the project be awarded to Domm Construction in the form of two contracts as follows:

1. Stipulated Price Contract for construction of the fire hall to be \$1,725, 946.00 + HST.

2. Unit Price Contract for sitework to be based on unit pricing as broken down in tender – not to exceed \$654,706.00 + HST.

The estimated start date is May 1, 2020 and Domm estimates 32 weeks for completion.

Analysis:

N/A

Financial:

The total \$2,380,652 building and site works resulting from the tender are slightly higher than the preliminary estimate of \$2,225,000. The additional cost is largely attributed to the complexity of the site works related to the 169 St David Street property location. It is noted that the cost includes contingencies and some options which may not be included in the final contract.

The current proposed 2020 budget includes a capital project in the amount of \$2,300,000 for the Construction of the Fire Hall. As a result of this report Council would be authorizing a pre-budget approval to proceed with the project as scheduled. Staff recommend that the construction be funded using long term debt to closer match the useful life of the asset with the financing. This will ensure ratepayers that are benefiting from the service are the ones funding it.

Attachments:

N/A