

The Corporation of the City of Kawartha Lakes

Council Report

Report Number PUR2020-020

Meeting Date: July 28, 2020

Title: 2020-18-CQ Bobcaygeon Beach Park Redevelopment and Construction

Description: Request for Quotation for Bobcaygeon Beach Park

Ward Number: Ward 2

Author and Title: Ashley Wykes, Buyer
Jenn Johnson, Manager, Parks, Recreation and Culture

Recommendation(s):

That Report PUR2020-020, **2020-18-CQ, Bobcaygeon Beach Park Redevelopment and Construction**, be received;

That Melfer Construction Inc. be selected for the award of 2020-18-CQ Bobcaygeon Beach Park Redevelopment and Construction for the total quoted amount of \$6,793,671 not including HST;

That the additional expenditure of \$1,741,861 be funded \$218,952 from DC Reserve and \$1,522,909 from Special Debenture;

That subject to receipt of the required documents, the Mayor and City Clerk be authorized to execute the agreement to award this quotation; and

That the Procurement Division be authorized to issue a purchase order.

Department Head:_____

Financial/Legal/HR/Other:_____

Chief Administrative Officer:_____

Background:

The Bobcaygeon Beach Park gained approval for re-development in the 2019 and 2020 capital budgets. The goal of the redevelopment is to promote a come stay, play, dine and shop in the community feel, with a focus on water and boat traffic. Some elements of the redevelopment include a new docking system and boat launch, additional parking, playground structures and new washroom facilities.

A request for prequalification document was released and closed in January 2020. Six contractors prequalified to bid on the future request for quotation. The request for quotation for the beach park was released in May, 2020 to all six contractors, with five submitting a compliant bid. 2020-18-CQ Bobcaygeon Beach Park Redevelopment and Construction was released and advertised in accordance with the Purchasing Policy. The quotation was opened by Andy Letham, Mayor and Launa Macey, Supervisor of Procurement with the following results:

Company Name	Quotation Amount
Melfer Construction Inc.	\$6,793,671.00
Nick Carchidi Excavating Ltd.	\$7,564,366.11
Orin Contractors Corp.	\$11,999,000.00
Rutherford Contracting Ltd.	\$8,156,770.67 (corrected from \$8,153,146.79)
W.G. Jackett & Sons Construction Ltd.	\$7,270,229.84 (corrected from \$7,302,405.78)
Gateman-Milloy Inc.	Late submission - disqualified

Rationale:

The amenities included in the renovation design for Bobcaygeon Beach Park were vetted through a number of public and community group consultations. The design includes features that support activities and tourism initiatives.

Staff recommends the award of quotation 2020-18-CQ Bobcaygeon Beach Park Redevelopment and Construction to Melfer Construction Inc., being the lowest compliant respondent for the quoted price of \$6,793,671 not including HST.

Other Alternatives Considered:

Two other options for Council were considered.

Option 1: Exclude all provisional items in the award of the quotation. The provisional items total \$655,436. The provisional items include east and west entry features, rising gate barrier and associated hardware for the boat launch area, shade sail features and a rental building.

If Council chooses this option, the following resolution should be passed:

That Melfer Construction Inc. be selected for the award of 2020-18-CQ Bobcaygeon Beach Park Redevelopment and Construction for the total quoted amount excluding provisional items of \$6,138,235 not including HST;

That the additional expenditure of \$1,041,540 be funded \$130,922 from DC Reserve and \$910,618 from Special Debenture;

That subject to receipt of the required documents, the Mayor and City Clerk be authorized to execute the agreement to award this quotation; and

That the Procurement Division be authorized to issue a purchase order.

Option 2: Award the quotation based on the remaining budget. This would require removal of the provisional items and several other items to find an additional \$1.2 million in savings to reach the available budget amount.

If Council chooses this option, the following resolution should be passed:

That Melfer Construction Inc. be selected for the award of 2020-18-CQ Bobcaygeon Beach Park Redevelopment and Construction for the total quoted amount, not to exceed, \$5,163,450 not including HST;

That subject to receipt of the required documents, the Mayor and City Clerk be authorized to execute the agreement to award this quotation; and

That the Procurement Division be authorized to issue a purchase order.

Financial/Operation Impacts:

The 2019-2020 multi-year capital project was approved for Bobcaygeon Beach Park, however in light of the higher than expected costs arising from quotation 2020-18-CQ, the project requires an increase in funding. Any expenditure overages will be funded through the development charges reserve and special

debenture. The table below outlines the project balance for the recommendation and the two options.

Capital Project Number	Project Budget	Other Committed Funds	Capital Project Balance	Purchase Amount (excl. HST)	5% Contingency	HST Payable	Total Amount	Project Balance
Recommendation								
950190103	\$6,000,000	\$482,954	\$5,517,046	\$6,793,671	\$339,684	\$125,552	\$7,258,907	(\$1,741,861)
Option 1								
950190103	\$6,000,000	\$482,954	\$5,517,046	\$6,138,235	\$306,912	\$113,439	\$6,558,586	(\$1,041,540)
Option 2								
950190103	\$6,000,000	\$482,954	\$5,517,046	\$5,163,450	\$258,173	\$95,424	\$5,517,046	\$0

Any remaining surplus or deficit will be dealt with through the capital close report presented to Council by the Treasury Division in accordance with the Capital Close Policy.

Relationship of Recommendation(s) To The 2020-2023 Strategic Plan:

The redevelopment of the Bobcaygeon Beach Park falls in line with the strategic priorities of an exceptional quality of life, a vibrant and growing economy and good government. By improving and maintaining the park, a healthy social community hub will be created. It will promote tourism as it will be a place where people can stop to explore the surrounding community and keeps the City's assets maintained and well managed.

Consultations:

Treasurer
Junior Accountant
Manager of Corporate Assets

Department Head E-Mail: cshanks@kawarthalakes.ca

Department Head: Craig Shanks

Department File: 2020-18-CQ