

## Council Report

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**Report Number:** PUR2021-027  
**Meeting Date:** December 14, 2021  
**Title:** 2021-78-CQ Renovation and Expansion to Accommodate the Bobcaygeon Library  
**Author and Title:** Ashley Wykes, Buyer

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### Recommendation(s):

**That** Report PUR2021-027, **2021-78-CQ Renovation and Expansion to Accommodate the Bobcaygeon Library**, be received;

**That** MVW Construction & Engineering Inc., being the lowest compliant submission, be awarded 2021-78-CQ Renovation and Expansion to Accommodate the Bobcaygeon Library for the quotation amount of \$1,979,460.00 not including HST;

**That** the additional expenditure in the amount of \$746,248.00 be funded 68% from the Development Charge Reserve for a total of \$505,956 and the remainder of \$240,292 from the uncommitted portion of the Capital Contingency Reserve;

**That** subject to receipt of the required documents, the Mayor and Clerk be authorized to execute the agreement to award the contract; and

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

**Department Head:** \_\_\_\_\_

**Financial/Legal/HR/Other:** \_\_\_\_\_

**Chief Administrative Officer:** \_\_\_\_\_

## **Background:**

For several years the Bobcaygeon library branch has been too small to adequately serve the growing population of Bobcaygeon and surrounding communities. This has been noted in numerous reports over the last twenty years. Additionally, the facility is not fully accessible as the entrance ramp does not meet current AODA standards and the washroom can only be accessed by going down several steps or exiting the library.

Relocation of the Bobcaygeon library branch from 21 Canal St to 123 East St will allow the branch to more than double in size (1,800sq ft to about 5,000 sq ft), making the branch fully accessible and substantially increase parking. This branch has seen an increase in use and membership and this increase in size will better allow for it to accommodate this. This project will also allow for the betterment of service for any future growth and also consider the potential of a hybrid model of service in relation to Library and City functions moving forward to potentially help with efficiencies.

There was extensive public consultation and meetings in regard to the relocation of the Bobcaygeon Public Library and the City's Library Board is actively and excitedly awaiting the implementation of this project to better service their Bobcaygeon and area clientele.

Community Services and the Procurement Division released request for quotation 2021-78-CQ Renovation and Expansion to Accommodate the Bobcaygeon Library, in accordance with the Purchasing Policy. The quotation closed on November 4, 2021 and was opened by Launa Macey, Supervisor of Procurement, with the following results:

<b>Company Name</b>	<b>Submitted Bid</b>
MVW Construction & Engineering Inc.	\$1,979,460
Mega Group Construction Ltd.	\$2,064,500
Gerr Construction Ltd.	\$2,081,500
J.J. McGuire General Contractors Inc.	\$2,163,000
W.S. Morgan Construction Ltd.	Non-Compliant

Quotations were checked for compliancy and mathematical errors. One company was deemed non-compliant to the procurement document and was disqualified. References were reviewed for MVW Construction & Engineering and found to be favourable.

**Rationale:**

The current branch building, at 21 Canal St., requires substantial repairs and upgrades. The initial estimates for upgrades to the Canal St location put the cost as similar to renovating the municipal building at East St, but these renovations would not expand the size of the current library branch.

Quotations received for this project came in over the project budget estimate due to several factors relating to the pandemic. The market has seen a 20% increase in glass costs, a 200% increase for steel, and wood product prices are still higher than before the pandemic. The cost of oil has affected all goods and trades, from delivery of material to travel to job sites. Finally, material shortages have caused supply chain disruptions and subcontractors are building contingencies into their tender costs due to potential cost increases during a project.

Staff recommend MVW Construction & Engineering Inc. be awarded 2021-78-CQ Renovation and Expansion to Accommodate the Bobcaygeon Library for the quotation amount of \$1,979,460, not including HST.

There are current ongoing talks in regards to future use of the existing Library portion of the 21 Canal St. facility. This includes the potential of both internal or external use. If the facility remains in active use by the municipality there will still be a need for some capital upgrades to the facility in future years.

**Other Alternatives Considered:**

No other alternative is being considered as a fair, open and transparent process was conducted in accordance with the City's Purchasing Policy.

**Alignment to Strategic Priorities**

This project aligns with the strategic priorities of "An Exceptional Quality of Life" and "Good Government." Moving the Bobcaygeon Library to the Service Center allows residents and visitors access to services at one location and an expansion in library programming. This also improves the ability to effectively manage the municipal building portfolio and maintains community demanded infrastructure.

**Financial/Operation Impacts:**

Funds for project 2021-78-CQ Renovation and Expansion to Accommodate the Bobcaygeon Library were approved through the 2020 and 2021 Capital Budgets. As the project increases the Library size this is considered a growth project and is partially funded by the Development Charge Reserve – Library. The Development Charge Reserve-Library is currently overdrawn by \$991,251 and therefore this reserve will

require a DC debenture in order to balance the reserve to zero. Future DC charges will also be applied in the future to bring this reserve to zero. The remainder of the funding has come from the Capital Contingency Reserve and a small portion from the Library Reserve. The amount of \$746,248 will therefore be funded \$505,956 from the Development Charge Reserve-Library and \$240,292 from the Capital Contingency Reserve, which currently has an uncommitted balance of \$1,628,931.59.

Project Number	Project Budget	Other Committed Funds *see below	Project Balance	Purchase Amount (excl. HST)	10% Contingency	HST Payable	Total Amount	Project Balance
953200301	\$1,500,000	\$30,518	\$1,469,482	\$1,979,460	\$197,946	\$38,324	\$2,215,730	(\$746,248)

\*Other Committed Funds include design consulting services for the project.

The City does have a Library Reserve, it is not being contemplated for use to fund this shortfall as the Library Board uses funds from the Reserve to offset its annual Operating Budget (approximately \$99,000 for 2022) and has a plan for continued such use in the future. There is also a plan to utilize the Reserve for the new facility furniture and equipment needs (approximately \$200,000). And finally, there is a need for further enhancements to other Public Library sites throughout the City as per the Master Plan and this Reserve Fund would allow for the funding of Furniture and Equipment projects at each of them similar to what is proposed for the Bobcaygeon project.

### **Consultations:**

CEO/Library Director  
Supervisor, Cost Accounting  
Treasurer

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**Department Head:** Craig Shanks

**Department File:** 2021-78-CQ