



## Council Report

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**Report Number:** PUR2022-003  
**Meeting Date:** February 22, 2022  
**Title:** 2021-87-CQ Renovations to the Kawartha Lakes  
Police Service Property Room  
**Author and Title:** Ashley Wykes, Buyer

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### Recommendation(s):

**That** Report PUR2022-003, **2021-87-CQ Renovations to the Kawartha Lakes Police Service Property Room**, be received;

**That** Nirvana Interiors Inc., being the lowest compliant submission, be awarded 2021-87-CQ Renovations to the Kawartha Lakes Police Service Property Room for the quotation amount of \$304,767 not including HST;

**That** the additional expenditure in the amount of \$184,304 is to be funded from the uncommitted portion of the Capital Contingency Reserve (account 1.32248);

**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:**

The Kawartha Lakes Police Services Facility at 6 Victoria Avenue North is the only facility in which the Kawartha Lakes Polices Services is housed. They perform all of their functions out of this facility. A recent Master Plan on the facility was completed concurrently to the Property Room project, which recommended interior renovations to better allocate space for operations. Currently, the location of the Property Room is far exceeding its suggested space requirements for property. The space is lacking secure storage and exhaust required to properly ventilate confiscated property. The existing forensics lab is located in an area of the building that is less then adequate in square footage and functionality. It also lacks proper mechanical equipment and ventilation. A capital project was approved in 2019 (953190108) for design, contract documents and contract administration to complete interior renovations to reconfigure and realign space to meet all police needs within the existing space envelope. The current project was approved as a multiyear project in 2021 and 2022 (953210106) to complete the construction in the facility.

The Procurement Division released request for quotation 2021-87-CQ Renovations to the Kawartha Lakes Police Service Property Room, in accordance with the Purchasing Policy. The quotation closed on December 14, 2021 and was opened by Launa Macey, Supervisor of Procurement, with the following results:

<b>Vendor Name</b>	<b>Submission Amount</b>
Nirvana Interiors Inc.	\$304,766.50
MVW Construction & Engineering Inc.	\$359,644.00
W.S. Morgan Construction Limited	\$393,000.00
Ecowall Systems Ltd.	Non-Compliant

Quotations were checked for compliance and mathematical errors. One company was deemed non-compliant to the procurement document and was disqualified. References were checked for the lowest compliant submission and found to be favourable.

**Rationale:**

There are multiple reasons in which the bid submissions for Phase 1 work on the Kawartha Lakes Police Services Property Room Renovation have come in quite higher then what was originally provided in a cost estimate on the project. These reasons include:

1. Current cost exceeded the cost of what was originally estimated for the high density storage system.
2. Unpredictable market relating to schedule, worker and product availability which causes risk premiums being added in to the bid prices from Vendors because of the highly volatile market.
3. Covid-19 supply chain issues and price increases on materials and products, in general, as a result.
4. Consulting costs associated with splitting the project into two phases.
5. The construction budget was prepared in 2019/early 2020 which was pre pandemic.

Staff are recommending that Nirvana Interiors Inc. be awarded 2021-87-CQ Renovations to the Kawartha Lakes Police Service Property Room for the quotation amount of \$304,767 not including HST.

### **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**

The renovations to the Kawartha Lakes Police Service property room aligns with the strategic priority of "Good Government". By renovating the property room, the longevity of life for the building is increased and the functionality and effectiveness of the space is improved.

### **Financial/Operation Impacts:**

Funds for project 2021-87-CQ Renovations to the Kawartha Lakes Police Service Property Room were approved through the 2021 Capital Budget. The additional funding required for this project will come from the Capital Contingency Reserve.

Project Number	Project Budget	Other Committed Funds *see below	Project Balance	Purchase Amount (excl. HST)	10% Contingency	HST Payable	Total Amount	Project Balance
953210106	\$231,530	\$74,690	\$156,840	\$304,767	\$30,477	\$5,901	\$341,144	(\$184,304)

\*Other Committed Funds include design consulting services, furnishings, staff wages and construction soft costs.

Any surplus or deficit will be dealt with by the Treasury Department according to the Capital Close policy.

**Consultations:**

Supervisor Capital Projects Delivery

**Department Head email:** cshanks@kawarthalakes.ca

**Department Head:** Craig Shanks

**Department File:** 2021-87-CQ