



To: Mayor and Council

From: W. Troy Dunlop, Director of Public Works and Utilities

Date: April 17, 2019

Committee of the Whole Date: April 23, 2019

Title: Beckwith Street Phase 1 Tender Results - Contract # 19-PW-001

For Direction

For Information

For Adoption

Attachment __pages

Recommendation: THAT Council of the Corporation of the Town of Smiths Falls accept the staff recommendation to reject the bid from Ottawa Greenbelt Construction Company Ltd.

AND THAT Council direct staff to report on options for advancement of the project including details on funding alternatives.

Purpose: The purpose of this report is to provide background on the procurement process for the Phase 1 Beckwith Street Renewal issued under Contract # 19-PW-001.

Background: On March 11th, 2019, the Public Works and Utilities Department advertised for the Phase 1 Beckwith Street Renewal. The tender was advertised for a four week period to offer additional time in consideration of the spring March break.

On Thursday, April 11th, the deadline for bids closed with only one bid received. The bid result is summarized below:

COMPANY	Total Bid (HST Included)
Ottawa Greenbelt Construction Company Ltd.	\$9,524,770.00

The bid from Ottawa Greenbelt Construction Company Ltd. was subsequently reviewed by Parsons for completeness and was later found to be a compliant submission.

Analysis and Options:

Upon review of the tender, both Parsons and Town staff identified that many of the unit prices were uncharacteristically high even with the project constraints fully considered. The receipt of a single bid submission also made it further challenging to validate the competitiveness of the bid. Very few general contractors in eastern Ontario have the capacity to complete a multi-disciplinary project of this scale and it is unclear if the capacity of the current market came into play with this procurement.

Under the terms of the current tender call, the Corporation has the right to accept or reject all tenders, negotiate with the successful tender, and to waive irregularities and omissions if doing so represents the best interests of the Corporation. After considering the details of the current submission, staff are recommending that Council reject the bid from Ottawa Greenbelt as the gap between the Contractor's bid and the Town's budget of \$5.7M is simply too significant.

Staff are recommending that options for advancement of the project be reviewed and that a report be prepared outlining the best path forward, complete with current (and proposed) funding alternatives. One of the core objectives of this review will be to develop strategies to safeguard the Town's OCIF Top Up funding grant totalling \$933K for sanitary and storm sewer activities. As of the date of this report, the Town has not heard back from the Ministry of Transportation Officials on the status of the Connecting Links Program following the passage of the provincial budget last week.

Budget/Financial Implications: Not applicable.

Links to Strategic Plan:

Vision Statement

- Item 4 – Investing in infrastructure to keep pace with needs
- Item 5 – Redeveloping our waterfront and downtown

Strategic Priority # 5 – Waterfront Development

- Objective 5.1.5 – Undertake a complete Beckwith Street Redevelopment Plan.

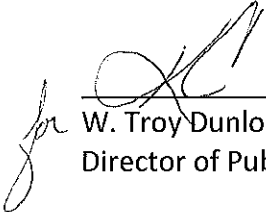
Consultations: Parsons, Director of Corporate Services, Director of Community Services and Treasurer.

Existing Policy:

- Downtown Revitalization and Waterfront Integration Master Plan, 2013
- By-Law no. 7850-2004, Policies respecting the procurement of goods and services
- Asset Management Plan - 2016

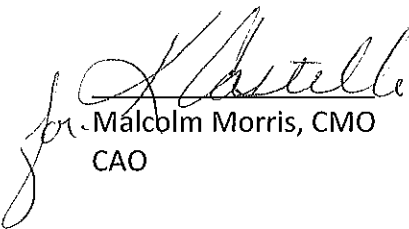
Notes/Action (space for Council Member's notes):

Respectfully Submitted:



W. Troy Dunlop, C.E.T.
Director of Public Works and Utilities

Approved for agenda by:



Malcolm Morris, CMO
CAO