

THE REGIONAL MUNICIPALITY OF YORK

Housing York Inc.
March 9, 2011
Report of the
Treasurer

TENDER AWARDS REPORT OCTOBER 1, 2010 TO DECEMBER 31, 2010

1. RECOMMENDATION

It is recommended that this report be received for information.

2. PURPOSE

This report will inform the Board of Directors of those capital projects that were awarded through the tendering process, between October 1, 2010 and December 31, 2010.

3. BACKGROUND

New Purchasing By-law requirement to report tender awards, quarterly

On September 15, 2010, the Board of Directors approved a Purchasing By-law to replace the purchasing policy. Within the By-law is a requirement to report tender awards quarterly.

Section 7.8 to 7.15 of the Purchasing By-law requires purchases of goods and services exceeding \$100,000 to be purchased through a request for proposal or tender. The By-law terms and conditions as approved by the Board are indicated below:

- Housing York Inc. (Housing York) will use the Region's Supplies and Services Branch as its agent to facilitate the issuance of requests for tenders, proposals, expressions of interest and for pre-qualification. However, the General Manager will report to the Board and make the award.
- The call for tenders and proposals documentation shall be circulated and advertised in as wide and extensive a manner as will ensure the most competitive responses.
- Every tender and proposal received will be opened in public, at a specified date and time and a written record of all bids received is made.

- The evaluation of all bids received shall be fair and complete using an open, fair and transparent process.
- Any irregularities, except those specifically identified in the Tender/Proposal Procedures portion of the bid documentation, shall be referred to the Bid Review Committee.

The General Manager has the authority to award capital work projects provided that:

- The award was made to the lowest bidder
- Total cost did not exceed \$500,000

The Purchasing By-law also provides that awards may be made for emergency purchases and reported subsequent to authorization of the work.

Contracts awarded due to single bid responses to calls for bids are reviewed by staff to determine that costs are consistent with staff assessment of the scope of work and budgeting provisions.

On Housing York's behalf, the Community and Health Services Department works in partnership with the Region's Finance Department in the issuing and awarding of tenders for Housing York. Community and Health Services prepares the design and specifications associated with each capital upgrade.

While the Supplies and Services Branch of the Finance Department prepares the content associated with legal, insurance and general tendering requirements, they also issue, close, evaluate and recommend awarding of each public tender. Community and Health Services participates in the tender evaluation portion of the process.

4. ANALYSIS AND OPTIONS

2010 fourth quarter saw four tenders awarded for total value of \$594,168

In the fourth quarter of 2010, four capital work contracts were awarded after a public tendering process consisting of a total value of \$594,168.

Table 1 provides a list of contracts that were awarded by the General Manager from October 1, 2010 to December 31, 2010.

Table 1
2010 Fourth Quarter Tender Awards

Contract	Property	Location	Description	# of Valid Submissions Received	Vendor	Amount
P001521	Rose Town	Richmond Hill	Solar Domestic Hot Water Heating	1*	Adelt Mechanical Works	\$213,500
P001529	Evergreen Terrace	Richmond Hill	Solar Air Heating System	1	Ontario Electrical Construction Company Ltd.	\$108,013
P001528	Fairy Lake Gardens	Newmarket	Solar Air Heating System	1	Ontario Electrical Construction Company Ltd.	\$100,808
P001527	Keswick Gardens	Georgina	Solar Air Heating System	1	Ontario Electrical Construction Company Ltd.	\$171,847

*Three bids were received; however, two bids were disqualified.

Each of the four tender awards were projects fully funded from the Province's Renewable Energy Initiative. The number of potential bidders was limited due to both the unique nature of the technology and because the Province stipulated that vendors were to be selected from the Ontario Power Authority Renewable Energy Technology Vendor List. An additional likely limiting factor is that the program funding across the Province (\$120 million) was concentrated within a relatively short timeframe. Therefore, qualified vendors may have already committed to numerous other project opportunities within this program.

The vendor list was administered by the Ontario Power Authority following the release of a Request for Qualifications. In order to be eligible to receive funding for a renewable energy project, it was mandatory for housing providers to use a vendor off the vendor list.

Qualifications to be on the vendor list was set by the Ministry of Energy and Infrastructure and included bonding, minimum insurance, past experience, successfully completed projects and an Ontario-based company.

The solar retrofits are designed to heat air and/or water for use within the respective buildings. These retrofits do not generate electrical power and therefore do not qualify for the Feed In Tariff (FIT) program.

5. FINANCIAL IMPLICATIONS

All items awarded were included within the budgets provided. There are no other financial implications.

6. LOCAL MUNICIPAL IMPACT

There is no local municipal impact associated with this report.

7. CONCLUSION

The General Manager has been delegated the authority to award tender and proposal contracts in excess of \$100,000 under Purchasing By-law No. 3-10, provided that certain conditions are met. A report is submitted quarterly to advise the Board of contract awards under this authority.

The procedures required in the Purchasing By-law state that a request for proposal or tender be issued for all tender awards identified in this report which have a total value of \$594,168.

For more information on this report, please contact Sylvia Patterson, Assistant General Manager at Ext. 2091.

The Senior Management Group has reviewed this report.

Recommended by:

Approved for Submission:

Lloyd Russell
Treasurer

Adelina Urbanski
General Manager

February 17, 2011

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DM/jf

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