

Township of Southgate

Administration Office

185667 Grey Road 9, RR 1
Dundalk, ON N0C 1B0

Phone: 519-923-2110

Toll Free: 1-888-560-6607

Fax: 519-923-9262

Web: www.southgate.ca

Staff Report CAO2021-059

Title of Report: Southgate New Council Chamber Building Retrofit Project
Request for Proposal Tender Opening & Award Report

Department: Administration

Council Date: August 4, 2021

Council Recommendation:

Be it resolved that Council receive Staff Report CAO2021-059 as information; and

That Council approve awarding the Southgate Council Chambers Building Retrofit Project to Domm Construction at the bid price of \$145,000.00 plus HST; and

That Council the Southgate Council Chambers Building Retrofit Project be funded from the ICIP COVID-19 Resilience Infrastructure Project approved funding of \$99,000.00 and the remainder of the construction costs from the Modernization Reserve.

Background:

Southgate staff applied for project funding by submitting an application for the ICIP COVID-19 Resilience Infrastructure Project requesting \$99,000.00 in the application and that Southgate would fund the remainder of the project that is anticipated to total between \$200,000 to \$250,000 on the upside depending on unseen and unknown factors.

The outcome of this project is the Township of Southgate will retrofit the former Egremont Council Chamber and Municipal Office space into a new Southgate Council Chambers.

Staff created the Southgate Council Chambers Building Retrofit Project Request for Proposal (RFP) document similar to the Dundalk Arena Auditorium Project RFP to seek proposals and select a supplier/contractor to complete this project. The purpose of this RFP document was to provide the flexibility to select a project based on a bid price or a time and materials basis procurement as an option to complete the work with the Township assuming the risks that cannot be seen. The challenges a project to demo an existing building interior often has some unknowns that require contractors to bid pricing on those possible factors, when such project work may not be required. As well our RFP document may create extra project costs we did not require in the bid requirements that we would have to deal with and pay for. This type of time and materials contracting would also allow our staff to complete some of the demolition if we so choose prior to the contractor starting the time and materials work.

The good news with this project is this part of the building we are dealing with was constructed in the 90's and should have no asbestos issues. The washrooms may be in the older part of the building may require an asbestos assessment prior to starting the project.

At the July 7, 2021 Council meeting the following resolution was approved to release the RFP.

Moved by Councillor Rice; **Seconded by** Deputy Mayor Milne;

Be it resolved that Council receive Staff Report CAO2021-055 as information; and

That Council approve the Southgate Council Chambers Building Retrofit Project Request for Proposal document as presented to be funded by grant funding and Southgate reserves; and

That Council direct staff to release the Southgate Council Chambers Building Retrofit Project Request for Proposal (RFP) document and that it be advertised in local papers, on our website and sent to contractors in the region we have worked with in the past.

Carried No. 2021-389

Staff Comments:

Staff opened the Southgate Council Chambers Building Retrofit Project proposals received on July 26th, 2021 at 2 pm through a virtual meeting link. In attendance for the tender opening was the Clerk Lindsey Green, Treasurer Liam Gott, and CAO Dave Milliner.

The Township received one RFP response from Domm Construction with 2 proposals. The response from Domm Construction is included in this report as Attachment #1 and provides proposal pricing as requested for a project bid price and a time and materials bid for contractor and sub-contractor labour rates and material costs at contractor purchase price plus markup handling fee. Staff completed a financial cost assessment report (Attachment #2) that estimates the time and materials proposal with estimations of material pricing. Based on that review staff recommend the bid proposal #1 to award the contract work based on the bid price for the project of \$145,000.00 plus HST. With that said we do anticipate there will be some unforeseen extras related to the existing vault access challenges. However we will negotiate to delete the \$6,000.00 line item for Outdoor entrance work and transfer that cost to time and materials to the vault issues.

This project will create one open concept meeting room space for Council meetings with accessible washrooms and retaining the existing office as a confidential meeting room. The exterior building access concerns will be contracted by Public Works to address accessibility with paving and delineated parking area. The Clerks Department will also deal with the public meeting access, audio and video technology requirements for the space.

Financial Impact or Long Term Implications

The 2021 Budget anticipated the cost of the relocation of Council Chambers to the Holstein building to be \$100,000, fully funded by the ICIP grant.

The cost of the total project is now estimated to be \$200,000 to \$250,000 on the upside, and the approved ICIP grant was \$99,000. Staff is recommending the shortfall of \$101,000 to \$151,000 to be funded from the Modernization Reserve (\$498,919.37 as at December 31, 2020)

Alternative funding options could be:

- 1) Use of the Capital Administration Infrastructure Reserve (\$87,407.49 as at December 31, 2020) – currently allocated to the Administration building project in 2024:
- 2) Use of the Tax stabilization Reserve - General (\$997,091.88 as at December 31, 2020).

Additional cost was be incurred and need to be funded to provide internet, audio and video technology equipment for the new Holstein Council Chambers.

The 2021 Budget anticipated the upgrade the existing Council Chambers into a meeting room and office space for the Building Department at a cost of \$50,000, funded from the Modernization Reserve.

Communications & Community Action Plan Impact:

This report has been written and presented to Council to communicate accurate information to the public.

Goal 4 - Adequate and Efficient Public Facilities

Action 4: The residents and businesses of Southgate expect the Township to plan and adequately provide for public facilities for gatherings, recreation and doing business with the Township, while recognizing at the same time that facility needs can change with age and a changing population.

Strategic Initiatives 4-A (2019-2023): The Township will have identified the growth-related impacts on municipal facilities, and will have designed solutions to expand its facilities, or develop new facilities, as required.

Concluding Comments

1. That Council receive staff report CAO2021-059 as information.
2. That Council approve the awarding of the Southgate New Council Chambers Building Retrofit Project to Domm Construction for \$145,000 plus HST
3. Attachment #3 is provided as information on the proposed floor plan for the conversion of the existing Council Chambers to office space for the Building Department and a larger meeting room.

Respectfully Submitted,

CAO approval: Original Signed By

Dave Milliner – CAO
dmilliner@southgate.ca
923-2110 x210

Clerk approval: Original Signed By

Lindsey Green - Clerk
lgreen@southgate.ca
519-923-2110 x230

Public Works approval: Original Signed By
Original Signed By

Jim Ellis – Public Works Manager
jellis@southgate.ca
923-2110 x250

Treasurer approval:

Liam Gott - Treasurer
wgott@southgate.ca
519-923-2110 x220

- Attachment #1 - Southgate Council Chambers Building Retrofit Project Request for Proposal (RFP) received from Domm Construction

- Attachment #2 – Domm Construction Time & Material Proposal Financial Analysis Report
- Attachment #3 – Hopeville Municipal Office New Floor Plan for former Council Chambers space