

Date: July 12, 2021

Report To: Mayor and Council

Report From: Cody Vangel, Chief Building Official and Municipal Planner

Subject: Tender No. 2021-PD-10 Award – Demolition of the Mowat Nursing Station – 420 Mowat Avenue

In the 2021 Capital Budget, the Town of Fort Frances allocated funds to retain a contractor to demolish the former Mowat nursing station located at 420 Mowat Avenue. The intent of this project is to demolish and remove from site the existing building, driveway and walkway, and subsequently backfill, grade and landscape the property.

The Town of Fort Frances began advertising the Tender on June 10, 2021 with a closing date of June 29, 2021. The Tender was advertised in the local newspaper, the Town's website, and it was also sent to both the Thunder Bay and Winnipeg construction association requesting advertisement.

On June 29, 2021 at 2:00pm tenders were opened publicly through a virtual manner at the Town of Fort Frances Civic Centre in the Committee Room. Two tenders were received being:

Demolition Contractor	Project Cost (HST not included)
CJ Contracting Inc	\$29,300.00
Canadian National Demolition	\$34,400.00

The 2021 capital budget allocation for this project was \$60,000.00. Given this, both proposals lay within budget.

Through the tendering process, administration is to inform Mayor and Council of all bid irregularities, non-compliances and issues with regards to the submissions. The following bid irregularities, non-compliances and issues were determined:

Demolition Contractor	Irregularities, non-compliances and issues
CJ Contracting Inc	<p>Section 1 – 2.13(c) requires that a Tenderer be ready to supply and deliver, and supply and deliver in accordance with the Tender Documents, demolition services as successfully tendered for.</p> <ul style="list-style-type: none">- CJ Contracting, at time of bid closing, has not indicated any subcontractors, and does not currently have the required training/certifications for Type 3 asbestos abatement. <p>Schedule 4 – 14(e) requires work to begin as soon as possible.</p> <ul style="list-style-type: none">- Awaiting training certifications may cause delay in its ability to start as soon as possible. <p>Schedule 4 – 15(a) requires the contractor to dispose of all materials, as indicated in the Designated Substance Survey, in accordance with all applicable laws and regulations.</p> <ul style="list-style-type: none">- CJ Contracting, at time of bid closing, has not indicated any subcontractors, and does not currently have the required training/certifications for Type 3 asbestos abatement.
Canadian National Demolition	<p>Section 1 – 2.12 requires that a tender deposit in the amount of 5% of the Total Tender Price accompany the Tender.</p> <ul style="list-style-type: none">- At time of writing report (24hrs after opening) no tender deposit had been received. The demolition contractor had emailed a picture of said cheque payable to the Town of Fort Frances which was placed in the mail. <p>Schedule B of the Town's Procurement Policy No. 1.12 recommends an automatic rejection in the event of insufficient financial security.</p>

Both bids demonstrate irregularities, non-compliances and issues as indicated above. Considering the above-mentioned items and weighing them to a risk-based value, removing asbestos containing material without the proper training/certifications can create a greater penalized risk as well as increasing the project schedule if awaiting training, than the non-compliance of not providing a financial security.

It is recommended that Tender No. 2021-PD-10 be awarded to Canadian National Demolition at the cost of \$34,400.00 plus the Town's portion of HST, due to the above noted Irregularities, non-compliances and issues, and further that an authorizing by-law be prepared and executed by the Mayor and Clerk on behalf of the corporation.

The Planning and Development Executive Committee considered this matter at their July 5, 2021 session where they recommended that Tender No. 2021-PD-10 be awarded to Canadian National Demolition at the cost of \$34,400.00 plus the Town's portion of HST subject to the condition that reception of the 5% bid deposit is collected.

Respectfully submitted

A handwritten signature in black ink, appearing to read 'Cody Vangel', with a stylized flourish at the end.

Cody Vangel
Chief Building Official & Municipal Planner

<p>Council approval of this report will agree with the recommendation of the Planning and Development Executive Committee to award Tender No. 2021-PD-10 to Canadian National Demolition at the cost of \$34,400.00 plus the Town's portion of HST subject to the condition that reception of the 5% bid deposit is collected.</p>
