



REPORT

TO: Mayor Lawlor and Members of Council

FROM: Johanna Amaya-Carvajal, Facilities Capital Projects Supervisor

DATE: November 24, 2022

REPORT NO.: RP-2022-0017

SUBJECT: Tender Award T-118-22 for the Acton Indoor Pool Basin/Tank Repair and Replacement Project

RECOMMENDATION:

THAT Report No. RP-2022-0017 dated November 24, 2022, regarding the Award of Tender T-118-22 for Contractor of the Acton Indoor Pool Basin Repair and Replacement Project be received;

AND FURTHER THAT the Acton Indoor Pool Tank Repairs project (8230-02-2201) budget be increased from \$88,000 to \$168,000 and that the additional \$80,000 be funded from the Capital Replacement Reserve;

AND FURTHER THAT the Georgetown Indoor Pool Tank Repairs project (8231-02-2201) be closed, and the \$80,000 remaining funding be returned to the Capital Replacement Reserve;

AND FURTHER THAT Acapulco Pools 1550 Victoria Street N. Kitchener, Ontario N2B 3E2 be awarded the Contract No. T-118-22 Acton Indoor Pool Basin Repair and Replacement Project for a total amount of \$153,276.00 (not including applicable taxes);

AND FURTHER THAT the Senior Manager of Purchasing and Risk Management be authorized to issue a purchase order to Acapulco Pools, 1550 Victoria Street N. Kitchener, Ontario N2B 3E2 in the amount of \$153,276.00 (not including applicable taxes).

KEY POINTS:

The following are key points for consideration with respect to this report:

- The basin of the Acton Indoor Pool (AIP) is at the end of its life and requires repair and replacement.
- The Acton Indoor Pool Tank Repairs project (8230-02-2201) has an approved capital budget of \$88,000.00.
- The repair and replacement of the basin was tendered T-118-22, received 2 bid submissions, and one was withdrawn.
- The lowest compliant bid submission was \$189,917.00 (not including applicable taxes) and is significantly over budget.
- Section 15e of the Purchasing Policy states that the Manager may negotiate where the lowest tender or quotation meeting specifications and terms and conditions exceed the approved budget of the goods and services, and it is impractical to re-bid.
- As per the purchasing policy, Town Staff negotiated with the lowest bidder to reduce the scope of work and request a revised quotation. Acapulco submitted a revised quotation for the reduced scope in the amount of \$155,973.65 (including non-recoverable taxes).
- Staff are recommending that project 8231-02-2201 (GIP Pool Tank Repairs) be closed and the unspent funds (\$80,000) be returned to the Capital Replacement Reserve to fund the additional costs for the Acton Pool project.

BACKGROUND AND DISCUSSION:

The Acton Indoor Pool (AIP) is a collegiate pool on the premises of Mackenzie-Smith Bennett Public Elementary School. As part of the 2022 capital budget, Council approved that the basin be repaired and replaced at the Acton Indoor Collegiate Pool. Acton Indoor Pool currently houses a 6 lane, 25-meter pool. It was last resurfaced in 2009 and has had repairs to the basin in 2019. Since that repair, new areas of the basin are requiring repairs. The total amount of the approved capital budget to complete this project is \$88,000.00.

Tender T-118-22 was issued on October 21, 2022. The tender closed on November 10, 2022, and two bids were submitted. On November 16, 2022, the lowest bidder, Top Canada, withdrew their bid submission. With the withdrawal of this bid, Acapulco Pools remains the only compliant bid with a submission of \$189,917.00 (not including applicable taxes).

| | |
|--------------------------------------------------------|----------------------|
| Capital Budget | |
| 8230-02-2201 AIP Basin Repair & Replacement | \$88,000.00 |
| Acapulco Pools Bid | \$189,917.00 |
| Non-Refundable Tax (1.76%) | \$3,342.54 |
| Total for Acapulco Submission | \$ 193,259.59 |

The lowest bidder is significantly over budget. As per the purchasing policy, Town Staff negotiated with the lowest bidder to reduce the scope of work and request a revised quotation.

Acapulco submitted a revised quotation for the reduced scope in the amount of \$155,973.65 (including non-recoverable taxes). The scope was reduced to include the replacement of the bottom of the basin/ tank only. A contingency of \$12,026.34 is being maintained for any unknown conditions that may be uncovered in the basin repairs.

Staff will coordinate the schedule for pool programs at Acton Indoor Pool to allow the work to be completed between March 17th, 2023, and April 9th, 2023.

STRATEGIC PLAN ALIGNMENT:

This report is administrative in nature and does not have an impact on the Town’s Strategic Plan.

RELATIONSHIP TO CLIMATE CHANGE:

This report is administrative in nature and does not directly impact or address climate change and the Town's Net Zero target.

PUBLIC ENGAGEMENT:

Public Engagement was not needed as this report is administrative in nature.

Town staff will work closely with Acapulco Pools to ensure the work is carried out in accordance with the contract document and specifications and with as little disruption to the school and facility or surrounding community. Notice of Construction will be communicated to all staff, including the Public Elementary School.

FINANCIAL IMPLICATIONS:

This report has an immediate financial impact and requires a funding source.

As discussed above, the updated cost for the AIP Tank Repairs project (8230-02-2201), including contingency is \$168,000. The current budget for this project is \$88,000 resulting in a shortfall of \$80,000. As a result, a budget increase of \$80,000 from

\$88,000 to \$168,000 is requested. Staff recommend that the shortfall be funded from the Capital Replacement Reserve.

A summary of the project costs and funding is provided below:

| | <u>Budget</u> | <u>Financing</u> Capital Replacement Reserve |
|-----------------------------------|----------------|-------------------------------------------------|
| Existing project budget | | |
| Acton Indoor Pool Tank Repairs | 88,000 | 88,000 |
| Revised Project Budget | | |
| Bottom Pool resurfacing & repairs | 155,974 | |
| Other costs (incl. contingency) | 12,026 | |
| Total | <u>168,000</u> | <u>168,000</u> |
| Additional budget required | <u>80,000</u> | <u>80,000</u> |

Furthermore, staff are recommending that project 8231-02-2201 (GIP Pool Tank Repairs) be closed and the unspent funds (\$80,000) be returned to the Capital Replacement Reserve to fund the additional costs for the Acton Pool project. Staff will continue to monitor the GIP pool tank to determine when repairs or replacement are required and will include the project in a future Capital Budget request, if required.

Reviewed and approved by,

Simone Gourlay, Senior Manager of Purchasing and Risk Management

Moya Jane Leighton, Director of Finance & Town Treasurer

Stephen Hamilton, Manager of Facility Capital Projects

Paul Damaso, Commissioner of Recreation & Parks

Chris Mills, Chief Administrative Officer