



## Report of the General Manager and Chief Financial Officer

### **Contract Awards including Summer Recess and Emergency Purchases July 1, 2018 to December 31, 2018**

#### **Recommendation**

1. The Board receive this report for information.

#### **Summary**

##### **The Purchasing Bylaw requires quarterly reporting to the Board of contract awards over \$100,000 and all emergency purchases**

This report advises the Board of Directors of all contracts over \$100,000 and emergency purchases awarded by the General Manager and the President from July 1, 2018 to December 31, 2018, as required by [Purchasing Bylaw No.1-18](#).

#### **Background**

##### **The Purchasing Bylaw requires quarterly reporting to the Board on contract awards over \$100,000**

Purchasing Bylaw No. 1-18 (Purchasing Bylaw) requires contract awards be reported quarterly to the Board. The Purchasing Bylaw also requires goods and services exceeding \$100,000, to be purchased through a request for proposal or tender.

The General Manager has the authority to award contracts provided that:

- The request for tender award is made to the lowest successful compliant bidder and the total cost does not exceed \$500,000
- The request for proposal award total cost does not exceed \$500,000

The President has the authority to award contracts provided that:

- The request for tender award is made to the lowest successful compliant bidder and the total cost does not exceed \$1,000,000
- The request for proposal award total cost does not exceed \$1,000,000

In procurements, where only one bid is received, staff must confirm that the bid represents good value. Evidence of good value can be:

- Consistency with pre-tender scope of work and cost estimates
- Consistency with previous similar contracts
- Consistency with prices obtained by other municipalities for similar goods and services

Information about the purchasing process is provided in Attachment 1.

## Analysis

### The General Manager has authority to award contracts up to \$500,000

Table 1 provides a list of the contracts awarded by the General Manager from July 1, 2018 to December 31, 2018. The vendors identified in each of the contracts awarded in Table 1 submitted the lowest compliant bid.

**Table 1**  
**General Manager Contract Awards**  
**July 1, 2018 to December 31, 2018**

Contract Description		
<b>T-17-06 Roof Replacement at Northview Court in the Town of Georgina</b>  Supply all labour, materials and equipment and transportation to complete the Roof Replacement at Northview Court.  Term: 50 working days from Notice to Commence Work	Number of Bids	9
	Vendor	T. Hamilton & Son Roofing Inc.
	Amount	\$167,822.00
<b>T-18-17 Roof Replacement at Thornhill Green in the City of Markham</b>  Supply all labour, materials and equipment and transportation to complete the Roof Replacement at Thornhill Green.  Term: 100 working days from Notice to Commence Work	Number of Bids	5
	Vendor	T. Hamilton & Son Roofing Inc.
	Amount	\$335,746.60

Contract Description		
<b>T-18-19 Roof Replacement at Tom Taylor Place in the Town of Newmarket</b>  Supply all labour, materials and equipment and transportation to complete the Roof Replacement at Tom Taylor Place  Term: 50 working days from Notice to Commence Work	Number of Bids	11
	Vendor	Eileen Roofing Inc.
	Amount	\$164,310.00
<b>T-18-127 Roof Replacement at Pineview Terrace in the Town of Georgina</b>  Supply all labour, materials and equipment and transportation to complete the Roof Replacement at Pineview Terrace.  Term: 50 working days from Notice to Commence Work	Number of Bids	3
	Vendor	Proteck Roofing & Sheet Metal
	Amount	\$274,664.00
<b>T-18-160 Windows, Doors and Sliding Door Replacement at Elmwood Gardens in the Town of Whitchurch-Stouffville</b>  Supply all labour, materials and equipment and transportation to complete the Window, Door and Sliding Door Replacements for 51 units at Elmwood Gardens.  Term: 80 working days from Notice to Commence Work	Number of Bids	5
	Vendor	Tower Restoration Ltd.
	Amount	\$395,013.00
<b>T-18-182 Parking Lot Replacement at Sutton Youth Shelter in the Town of Georgina</b>  Supply all labour, materials and equipment and transportation to complete the Parking Lot Replacement at Sutton Youth Shelter.  Term: 40 working days from Notice to Commence Work	Number of Bids	9
	Vendor	KP Construction
	Amount	\$208,500.00

**The President has authority to award contracts up to \$ 1,000,000**

Table 2 provides a list of the contracts awarded by the President from July 1, 2018 to December 31, 2018. The vendors identified in each of the contracts in Table 2 submitted the lowest compliant bid.

**Table 2**  
**President Contract Awards**  
**July 1, 2018 to December 31, 2018**

Contract Description		
<b>T-18-59 Kitchen and Bathroom Replacement at Heritage East in the Town of Newmarket</b>  Supply all labour, materials and equipment and transportation to complete 66 Kitchen and 66 Bathroom Replacements at Heritage East.  Term: 90 working days from Notice to Commence Work	Number of Bids	3
	Vendor	Amato & Son Aluminum & Glass
	Amount	\$980,830.00
<b>T-18-60 Bathroom Replacements at Rose Town in the Town of Richmond Hill</b>  Supply all labour, materials and equipment and transportation to complete 125 Bathroom Replacements at Rose Town.  Term: 80 working days from Notice to Commence Work	Number of Bids	4
	Vendor	Joe Pace & Sons Contracting Inc.
	Amount	\$879,450.00
<b>T-18-156 Window, Door, and Sliding Door Replacement at Springbrook Gardens in the Town of Richmond Hill</b>  Supply all labour, materials and equipment and transportation to complete Window, Door & Sliding Door Replacements for 93 units at Springbrook Gardens.  Term: 100 working days from Notice to Commence Work	Number of Bids	3
	Vendor	Trust Windows Corp.
	Amount	\$627,921.00

Contract Description		
<b>T-18-157 Window and Door Replacements at Brayfield Manor in the Town of Newmarket</b>  Supply all labour, materials and equipment and transportation to complete Window and Door Replacements for 81 units at Brayfield Manor.  Term: 100 working days from Notice to Commence Work	Number of Bids	8
	Vendor	Trust Windows Corp.
	Amount	\$501,409.00
<b>T-18-159 Window and Door Replacements at Mulock Village in the Town of Newmarket</b>  Supply all labour, materials and equipment and transportation to complete Window and Door Replacements for 104 units at Mulock Village.  Term: 120 working days from Notice to Commence Work	Number of Bids	11
	Vendor	Trust Windows Corp.
	Amount	\$700,865.00

**The HYI Purchasing Bylaw authorizes the president to award any contract during summer recess when regular Board or Shareholder meetings are suspended**

The HYI Purchasing Bylaw states that:

- Despite any other provisions of this bylaw, during any period that regular Board or Shareholder meetings are suspended either during summer recess or any other reason, or during the period that the acts of the Shareholder are restricted under Section 275 of the *Municipal Act, 2001*, the President shall be authorized to award any contract
- A report shall be submitted to the Board as soon as reasonably possible setting out the details of any contract awarded under this authority (Section 7.16 of the Purchasing Bylaw)

**A summer recess contract award was necessary to ensure a new laundry service agreement was in place before expiry of the existing agreement**

HYI has publicly tendered the laundry services in its buildings since 2001. The laundry service agreement generates revenue for HYI.

In 2011 Sparkle Solutions submitted the successful bid for laundry services with total projected revenues of \$1,292,532, over a seven year term. The agreement expired October 31, 2018.

A request for tender was released in September 2018 and closed October 23, 2018. Two bids were received. Sparkle Solutions provided the bid with the highest revenue projected over the

five year term of the agreement. The new agreement started November 1, 2018 and will expire October 31, 2023.

Where the president does exercise their authority under the HYI Purchasing Bylaw to award a contract during the summer recess when regular Board or Shareholder meetings are suspended, a report on the contract must be submitted to the Board as soon as reasonably possible. The required information is provided in Table 3.

**Table 3**  
**President Summer Recess Contract Award**

Contract Description		
<b>T-18-23</b> Supply, Installation and Maintenance of Cash to Card Operated Laundry services in various HYI properties.  Term: five year term	Number of Bids	2
	Vendor	Sparkle Solutions
	Amount	\$1,090,769.16 (Revenue)

### **Emergency purchase contracts were necessary to provide grounds maintenance and security services**

Under Section 9 of the Purchasing Bylaw, the President is authorized to award emergency purchases without issuing a formal call for bids.

HYI issued a request for tender for winter and summer grounds maintenance in August 2018. Grounds maintenance for HYI properties is organized and awarded into five geographic areas. Bid documents were obtained by 16 vendors, and six submitted bids. The area covering four properties in the southeast area of the Region received no bids. An emergency procurement was necessary to ensure timely coverage for maintenance services for these properties.

Quotes were requested from multiple vendors of these services to ensure best value. The contract was awarded to the lowest compliant bidder, Jim Lytle and Associates Inc., operating as Lawn Rangers, in the annual amount of \$154,352, plus a one year renewal. Should HYI choose to exercise the renewal option, the additional year would include a 2.5% escalation.

In the summer of 2018, resident and neighbourhood complaints resulted in the need for additional security services at the Richmond Hill Hub. The additional security services were provided by Primary Response Inc., the security company that was awarded the contract in December 2017, through a request for quotation. The contract with Primary Response had expired in the late summer and was extended on a month-to-month basis while staff developed a revised tender to meet the health and safety requirements at the site. A public tender for security services, reflecting the increased level of service, closed in December 2018 and was awarded February 6, 2019.

Table 4 provides information on the emergency purchases awarded by the President.

**Table 4**  
**President Emergency Purchase Contracts**

Contract Description	Vendor	Amount
Winter Summer Grounds Maintenance for various HYI Properties in Richmond Hill and Markham  Term: October 22, 2018 to October 21, 2019	Jim Lytle and Associates Inc.	\$154,352.00 annually, with an option to renew for an additional year
Additional Security Services at the Richmond Hill Hub  Term: August 2018 to February 5, 2019	Primary Response Inc.	\$78,899.60 (estimated)

### Financial Considerations

The contracts awarded are within approved budget. There are no other financial implications.

### Local Impact

The contracted work ensures HYI properties are well maintained optimizing the life expectancy and operational efficiency of facilities and related equipment. In the case of security services, the contracted work mitigated complaints raised by residents and neighbours living in or near the Richmond Hill Hub.

### Conclusion

The General Manager has delegated authority to award tender and proposal contracts up to \$500,000 under [Purchasing Bylaw No.1-18](#). The contract awards identified in Table 1 are in compliance with the Purchasing Bylaw and the authority delegated by the Board. The contracts awarded by the General Manager from July 1, 2018 to December 31, 2018, have a total value of \$1,546,055.60.

The President has delegated authority to award tender and proposal contracts up to \$1,000,000 under the Purchasing Bylaw. The contract awards identified in Table 2 are in compliance with the Purchasing Bylaw and the authority delegated by the Board. The contracts awarded by the President from July 1, 2018 to December 31, 2018, have a total value of \$3,690,475.

The Laundry Service Agreement awarded during summer recess will provide HYI with a projected \$ 1,090,769.16 of revenue over the five year term of the agreement.

Two contracts were awarded under the emergency procurement provisions of the Purchasing Bylaw for grounds maintenance at several properties in the southeast area of the Region and additional security services at the Richmond Hill Hub with a total estimated value of \$233,251.60, as per the terms outlined in this report.

For more information on this report, please contact Rick Farrell, General Manager at 1-877-464-9675 ext. 72091. Accessible formats or communication supports are available upon request.

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Recommended by: Michelle Willson  
Chief Financial Officer

Rick Farrell  
General Manager, Housing York Inc.

Approved for Submission: Katherine Chislett  
President, Housing York Inc.

February 21, 2019  
Attachment  
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