



CITY OF HAMILTON

CORPORATE SERVICES DEPARTMENT **Treasury Services Division**

TO: Chair and Members Audit, Finance and Administration Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: October 19, 2011	
SUBJECT/REPORT NO: Award of Contract C12-03-11 Emergency Roof Repairs As Required (FCS11089) (City Wide)	
SUBMITTED BY: Antonio D. Tollis Treasurer Corporate Services Department	PREPARED BY: Rick Male Ext 4157
SIGNATURE:	

RECOMMENDATION

That Request for Tenders C12-03-11 for Emergency Roof Repairs As Required for City of Hamilton facilities be awarded to the lowest compliant bid, A.M. Roofing Systems Inc., with an estimated total expenditure of \$351,600 for a five year period.

EXECUTIVE SUMMARY

The City of Hamilton owns and operates various corporate facilities. Various emergency roof repairs are needed on these facilities from time to time. The intent of this contract is to hire a contractor to perform the various emergency jobs on an as required basis to mitigate further damage and associated costs to City owned properties.

The contractor will supply all material and labour to complete projects, under a maximum value of \$5,000.00 per project.

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The main City departments that will utilize this contract are:

- a) Public Works Department – Facilities Section; and
- b) Community Services Department – Recreation Division and Culture Division

Examples of types of repairs the Successful Bidder may complete through the term of the contract are:

- a) application of caulking or a piece of membrane,
- b) secure a gutter or down spout,
- c) clear the debris or clean out a roof drain to stop the leak,
- d) install or repair flashing,
- e) install or repair soffet, and
- f) repair a shingled roof which may include laying down or replacing plywood.

Bidders were required to provide hourly rates for three types of service that will be required throughout the five year term of contract.

The term of the contract is for one year with the option to renew for an additional four, one year terms.

Bid Submission Results

Company Name	Total Contract Price
A.M. Roofing Systems Inc.	\$351,600.00
Triumph Roofing & Sheet Metal Inc.	\$542,900.00
ENR Roofing Inc.	\$735,900.00

Alternatives for Consideration – Not Applicable

FINANCIAL / STAFFING / LEGAL IMPLICATIONS (for Recommendation(s) only)

Financial:

Changes to the pricing structure were made to this Request for Tenders from the previous issuance of this contract and therefore it is difficult to complete an apples to apples financial comparison.

Mark-up rates for materials and equipment has decreased by 14 per cent to 10 per cent for the five year contract term. Hourly rates for the two-person and three-person crews have increased slightly by approximately two per cent per year from the current City rates.

Staffing:

None.

Legal:

None.

HISTORICAL BACKGROUND (Chronology of events)

The Request for Tenders was issued on August 15, 2011, and closed on September 7, 2011. There were eight plan takers who secured the document and three compliant submissions were received. The award of the contract is being recommended to the compliant bidder with the lowest total contract price for the five year term. The actual value of the contract will depend on the actual quantity of services performed.

POLICY IMPLICATIONS

As per Purchasing Policy, Section 4.4, Policy 4 - Approval Authority, item 4(b), approval is required for the award of Corporate Contracts.

RELEVANT CONSULTATION

Client departments consulted were Community Services – Culture Division, Community Services – Recreation Division and Public Works – Facilities Section.

ANALYSIS / RATIONALE FOR RECOMMENDATION

(include Performance Measurement/Benchmarking Data, if applicable)

The City benefits from discounted volume based pricing when a corporate contract is issued versus each individual department securing prices on their own for similar services. Management of the procurement of these services is simplified when dealing with one vendor versus multiple vendors.

ALTERNATIVES FOR CONSIDERATION

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

The alternative method would be to secure competitive bids for each department; which would result in the duplication of effort and the City would not realize any cost savings that is achieved by volume discounts.

CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability,
3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development,
6. Environmental Stewardship, 7. Healthy Community

N/A.

APPENDICES / SCHEDULES

N/A.