

September 08, 2017

BY ELECTRONIC MAIL ONLY

Municipality of French River

44 St. Christophe Street, Suite 1
 Noelville, Ontario
 POM 2N0
 (rmartin@frenchriver.ca)

Attention: Robert Martin
 Parks, Recreation & Facilities Manager
 Acting Public Works Manager

**Re: Tender Review and Recommendation (RFT# 2017-21)
 Municipal Complex HVAC Renewal
 44 St. Christophe Street, Noelville, Ontario
 Greenview File: 141.17.004**

Dear Bob:

Greenview Environmental Management Limited (Greenview) provides this submission to the Municipality of French River (Municipality) summarizing our review of tenders received in response to the Municipality's request for the renewal of heating, ventilation and cooling systems for the Municipal Complex, located on St. Christophe Street, in Noelville, Ontario.

Background

Commencing August 11, 2017, the Municipality issued a tender call to qualified and experienced mechanical contractors for the above-noted project. The tender call was advertised on the Municipality's website, and the internet via the Municipality's Biddingo.com procurement portal.

During the tender period, a mandatory site meeting was facilitated by the Municipality on August 21, 2017, with four (4) companies attending.

The tender period closed at 2:00:00pm on August 29, 2017. Two (2) tenders were received by the Municipality. The recorded values from the tender opening on August 29, 2017 are as follows (lowest bid price to highest, excluding taxes):

Bidder (Location)	Tender Price
Metal-Air Mechanical Systems Ltd. (Val Caron)	\$670,876.00
Airco Ltd. (Sudbury)	\$770,838.00

Tender Reviews

All tender submissions were reviewed in detail for compliance with the Municipality's tender requirements. The items reviewed in detail included, but were not limited to:

1. Tender price, and corresponding consistency with pre-tender construction cost estimates, municipal budget, and spread of values between the tenders submitted.
2. Bid security, surety/bonding, and conformance with insurance requirements.
3. Subcontractors, subtrades, and suppliers proposed for the work, including unit rate schedules.
4. Current and completed projects, related past project experience, and past project references.
5. Other elements deemed pertinent to the successful completion of the project.

The tenders received were reviewed with respect to the noted criteria, and based on this review, Metal-Air Mechanical Systems is deemed to be the preferred bidder from qualifications and experience, and past project references.

Tender prices exceeded Greenview's pre-tender construction cost by an appreciable margin. It was determined through the tender review process that the following aspects influenced pricing for the project:

- Work time restrictions in the Medical Centre (weekends only).
- Condensed (aggressive) construction timeline and substantial performance date (October 31, 2017).
- Condition for liquidated damages against the Contractor in the event of unsubstantiated delays past the substantial performance date.
- Perceived weather-related challenges with existing underslab duct decommissioning, and concrete materials.

As permitted under the tendering process, a tender review meeting was held with the lowest bidder, Metal-Air, on September 06, 2017. From open and transparent discussions with Metal-Air at this meeting, a post-tender addendum was issued on September 07, 2017, providing clarification and/or amendments to selected elements of the tender documents as reviewed in the meeting of September 07, 2017.

Based on the post-tender addendum, a value for cost savings was requested from Metal-Air for consideration, and was received on September 08, 2017. The value of the price reductions was \$53,000.00, excluding taxes. A revised tender value is calculated to be \$617,876.00, excluding taxes.

Recommendation

Based on all aspects considered, we recommend the Municipality accept the offer of cost savings totalling \$53,000.00, and award the contract to Metal-Air Mechanical Systems Ltd. for a total value of \$617,876.00, excluding HST.

Next Steps

Based on direction from the Municipality to award the contract, a notice of intent to award the contract would be presented to the awarded Contractor, initiating the formal contracting and agreement phase of the project, with the expected initiation of the pre-construction aspects of the work in the immediate future, and construction to be substantially performed by November 30, 2017.

If the construction contract is not awarded, then Greenview would meet with the Municipality to review its direction, and notice to the bidders would be provided accordingly.

Closing

We trust you will find this submission in order. If you have any questions regarding this letter, please contact the undersigned at 613-332-0057 extension 102, or tyler.peters@greenview-environmental.ca.

All respectfully submitted by,

Greenview Environmental Management Limited



Tyler H. Peters, P.Eng.
Project Director

c.c. Marc Gagnon, CAO, Municipality of French River