



**March 8, 2011**

**City Council  
Committee Report**

**To: Mayor & Council**

**Fr: Richard Perchuk, Manager of Operations  
Marco Vogrig, Municipal Engineer**

**Re: Downtown Revitalization - Harbourfront Tent Tender**

**Recommendation:**

**That** the following tenders be received by the City of Kenora for the Kenora Downtown Revitalization Contract 500 Waterfront Pavillion (plus HST); and further,

	Base Bid	Optional Mesh Sidewall	Optional Opaque Sidewall
KMA Contracting Inc.	\$1,290,700.00	\$ 90,100.00	\$ 94,500.00
Birdair, Inc.	\$1,603,305.00	\$245,500.00	\$295,000.00

**That** the tender submitted by KMA Contracting Inc., in the amount of the base bid of \$1,290,700 (plus HST) plus the optional opaque (solid) sidewall price of \$94,500.00 (plus HST) less a \$30,000.00 completion date extension credit, be accepted.

**Background:**

Tenders for the Kenora Downtown Revitalization Contract 500 Waterfront Pavillion related to the supply and erection of the Harbourfront Tent closed on Friday, February 18, 2011, with two firms submitting the following tender pricing (plus HST):

	Base Bid	Optional Mesh Sidewall	Optional Opaque Sidewall
KMA Contracting Inc.	\$1,290,700.00	\$ 90,100.00	\$ 94,500.00
Birdair, Inc.	\$1,603,305.00	\$245,500.00	\$295,000.00

In order to complete the Downtown Revitalization Phase 2 works associated with the festival area located on the north side of the Pavillion building, the consulting engineering firm KGS Group, currently retained for the revitalization project, was requested to let tenders, at council's direction, for the supply and erection of a permanent festival tent. The decision to proceed with tendering was initiated in order to arrive at true tendered price for the for the project due to the unfamiliarity of cost associated with this type of unique structure. The base bid in the tender includes the provision for an audience and stage roof

cover, with sidewall pricing in mesh and opaque (solid) material types being options to be added to the scope of work and base bid price. In discussions with the potential tent users such as Harbourfest, KBI etc., it was determined that opaque sidewalls were preferred as opposed to the mesh type that would allow the inside of the tent to be visible from the exterior in addition to the opaque type providing better control of wind and rain from entering the tent. Therefore, the opaque sidewall is being recommended for inclusion into the scope of work for the project. The tender and current pricing as received provides a permanent year round roof structure over both the audience and stage areas. The sidewalls are designed and priced to be a permanent summer season installation that will be retractable via a roman shade type of operating system for the audience sides and a shower curtain type of operation for each end of the tent. Cold temperatures during the winter season will only permit the installation of the sidewalls on an intermittent basis with special installation and storage procedures in order to ensure the walls will not be damaged by cold weather handling and exposure. Additionally, any sidewall installation during the winter period would not allow for their retraction and could only be used in the fully down position in order to not damage the wall panels.

The tender had requested a completion date of July 15, 2011. The KMA Contracting Inc. bid has identified a \$30,000.00 credit available to the City should the completion date be extended by two weeks. The tender also identified that the City would award the project by March 11, 2011. Therefore, in order to take advantage of the completion date extension credit to accommodate the proposed \$1.5 million budget, it is anticipated that the tent would likely be finished into the month of August and not be available for Harbourfest and possibly KBI for 2011.

As part of the tender criteria, specific requirements were requested of the bidders in regards to their experience in similar type and size of projects, in addition to the particulars for the staff or persons that would be managing the project. In regards to the requirements related to the experience and knowledge requirements of the bidders, the KGS Group in conjunction with their sub consultant namely, Hilderman Thomas Frank Cram, performed follow up discussions, requests for supplementary information and reference checks on the low bidder, KMA Contracting Inc. It would appear by way of the KGS Group review and recommendation of the KMA Contracting Inc. tender that the bid is compliant. However, the exercise of confirmation of a compliant bid has developed into a longer period of time than expected and has precluded the opportunity to award the tender by the March 11, 2011 as stated date in the tender. Please refer to the attached KGS correspondence regarding their tender recommendation and confirmation of the KMA Contracting Inc. bid as being compliant. Another reason for the due diligence and effort made in ensuring that the KMA Contracting Inc. low bid is compliant is due to the fact that the second bidder, namely Birdair Inc, have submitted a bid protest addressed to the City's and KGS's attention indicating KMA Contracting Inc. is unable able to

meet the requirements of the tender. A consultation was conducted with the City solicitor who's advice indicated that the City is required to ensure the KMA Contracting Inc. bid is compliant, which has been confirmed by the KGS Group as a compliant bid as previously stated.

In addition to the tendered prices for the tent supply as presented above, there are other scopes of work the proposed \$1.5 million budget will be required to cover. Specifically, consulting engineering fees of \$50,000.00 for tendering and contract administration are applicable, and an estimate of \$36,200.00 to supply and install the interior tent lighting, which was not included in the tent tender in order to save on general contractor mark up on that scope of work. In analyzing the KMA Contracting Inc. bid with the inclusion of the opaque (solid) sidewalls and accepting the \$30,000.00 credit for completion extension, the engineering fees and interior lighting costs, it would appear that when all of these expenditures are applied towards the proposed \$1.5 million budget, there remains an approximate \$30,000.00 contingency fund for the project.

**Budget:** Proposed in 2011 Capital Budget - 1.5 million

**Communication Plan/Notice By-law Requirements:**

Resolution required.

Distribution: R. Perchuk, M. Vogrig, C. Edie, P. Derouard