

Staff Report



Financial Services Department

www.kitchener.ca

REPORT TO: Committee of the Whole

DATE OF MEETING: August 28, 2023

SUBMITTED BY: Ryan Scott, Chief Procurement Officer, 519-741-2200 ext. 7214

PREPARED BY: Ian Fischer, Procurement Specialist, 519-741-2200 ext. 7416

WARD(S) INVOLVED: N/A

DATE OF REPORT: August 16, 2023

REPORT NO.: FIN-2023-383

SUBJECT: Request for Additional Funding - Q23-093 City Hall - Structural Glass Guardrail Replacement

RECOMMENDATION:

That \$175,000 be transferred from the Breithaupt Centre – HVAC Replacement account to the City Hall Roofing (2023) account to allow the project to proceed.

REPORT HIGHLIGHTS:

- The purpose of this report is to obtain approval to transfer funds to the City Hall Roof Account for Q23-093 City Hall - Structural Glass Guardrail Replacement capital project to allow the award of a procurement in accordance with Procurement By-law 2022-109;
- The impact of not approving the transfer would be canceling the solicitation and delaying the project until at least 2024;
- This report supports the delivery of core services.

BACKGROUND:

The scope of the work for the City Hall - Structural Glass Guardrail Replacement project includes the replacement of approximately 140 linear feet of Structural Glass Guardrail at the exterior Level 3 Terrace. The space is currently unusable due to a safety concern identified because it is not properly attached to the structure and could come loose if a lot of pressure was applied. It has been secured and is currently stabilized with sandbags.

The project would be scheduled to begin in early September 2023.

REPORT:

In accordance with the Procurement By-law 2022-109 (Chapter 170 Municipal Code), Council's approval is required if any one or more of the conditions of Section 10 – Delegated Approval Authority are not met.

Specific to the project listed, the City has conducted an open competitive process which resulted in four (4) responses being received, and the intent is to award to the lowest compliant response.

Staff have concluded that:

- Market pricing has been received for the listed deliverables; and
- Based on the number of bids received through this competitive process, staff do not believe better pricing would be received by canceling this solicitation and waiting at least another year; and
- It would be in the City's best interest to proceed ahead with the project.

However:

- There is insufficient funding to award the procurement under delegated authority; and
- Additional funds are being requested to facilitate an award.

Failing to transfer additional funds would lead to canceling the solicitation and delaying the project until at least 2024. Further, delaying the project will increase the likelihood of service disruption in the area as the infrastructure being replaced is at the end of its useful life.

STRATEGIC PLAN ALIGNMENT:

This report supports the delivery of core services.

FINANCIAL IMPLICATIONS:

The table below shows the proposed transfer and the revised project budget that would allow the procurement to be awarded within the Procurement By-Law.

Summary of Proposed Action

	Account	Amount
Approved Budget	52002808 – City Hall Roofing (2023)	\$295,000
Recommended Transfer	52002209 - Breithaupt Centre – HVAC Replacement Account	\$175,000
Revised Budget	City Hall Roofing (2023)	\$470,000

There is sufficient funding within the Breithaupt Centre – HVAC Replacement Account to make this transfer as that capital project was recently completed and came in under budget.

COMMUNITY ENGAGEMENT:

INFORM – This report has been posted to the City's website with the agenda in advance of the council / committee meeting.

PREVIOUS REPORTS/AUTHORITIES:

There are no previous reports/authorities related to this matter.

APPROVED BY: Jonathan Lautenbach, Chief Financial Officer, Financial Services Department