

Memo

To: Alain D. Muise, CAO; Argyle Council

From: Hans Pfeil

Date: May 6, 2019

Re: Mobile Dewatering Truck Garage Construction: West Pubnico Sewer Plant

Bid negotiation with GARIAN Construction May 2, 2019.

This memo is prepared to inform about the outcome of the bid negotiation with the lowest bidder from the tender evaluation for the mobile dewatering truck garage construction on the property of the West Pubnico Waste Water Treatment plant. We had received two submissions on April 24, 2019 and reported back to council that a meeting with GARIAN Construction for a better understanding of their bid price would be the best option. Garian's tender was about 12% over budget and Grahams Construction was about 31% over budget. With these results Garian Construction was within allowable limits and we met with Brandon McNicol to review the project and understand their recommendations to simplify the construction. Garian Construction pointed out several saving options and can be found in Appendix A.

Their recommendations have been checked with the electrical Engineer from WSP Canada Inc. and were acceptable. In addition we had reported the tender results to the West Pubnico Waste Water Committee and they recommended to keep all optional items of the project (exhaust fan, floor drains and on-site collection tank) and move forward with the price negotiation with Garian Construction.

We also agreed to make minor adjustments to the front overhead door for safer operations and opted for a wider door than initially proposed. This added a few costs but in general we were able to reduce the original bid price by **\$6,350** from \$125,720 down to **\$119,370 + HST**. This price includes all optional items described in the tender.

Based on the outcome of the bid negotiation and the financial evaluation by public works staff we would recommend awarding the project to: **GARIAN Construction**

The Public Works Team is available for further questions.

Regards,
Hans Pfeil
Director of Public Works.

Appendix A – Garian Construction – Savings from Bid Price.pdf

Municipality of the District of Argyle - MDT Garage Cost Savings

Items in Bid	Proposed Changes
Conduit wiring	NMD (Loomex) wiring
Three phase heaters	Single phase heaters (all other aspects the same)
Lighting as per specs	Additional savings on lighting from supplier
225 amp three phase service with copper wiring	200 amp single phase service with nual wiring
6 exterior LED lights	2 exterior LED lights (above both doors)
Interior painting, exterior painting of bollards	Painting by owner
Commercial grade steel door (7')	Standard insulated steel door (6'9")
10'x13' Overhead door	12'x13' Overhead door (same details as original door)

<u>Total Costs</u>	Original bid price	\$ 125,720.00
	Cost savings	-\$ 6,350.00
	Sub-total with savings	\$ 119,370.00
	HST	<u>\$ 17,905.50</u>
	Total	\$ 137,275.50