

# Municipality of East Ferris

## Report to Council

Report No.: CAO-2021-01

Date: March 18, 2021

Originator: Jason H. Trottier, CAO/Treasurer

Subject: Tender – Repairs to Arena Roof Trusses

---

### **RECOMMENDATION**

1. That Council for the Municipality of East Ferris accepts the tender from and awards the contract to Kenalex Construction Company Limited in the amount of \$787,200.00 (exclusive of HST).
  2. That Council for the Municipality of East Ferris enters into the agreement with the Royal Bank of Canada for construction financing and a fixed term loan at completion of the project.
- 

### **BACKGROUND**

At the regular meeting of Council on January 14<sup>th</sup>, 2020, Council passed Resolution #2020-07 to accept, as presented, Report No. CAO-2020-01: Structural Engineering Report - Arena Roof. The report is attached as Appendix 'A'. The report was for information purposes only and provided Council with a copy of the *Arena Roof Structural Assessment Report* prepared by BRY-CO Engineering Limited.

In order to address the recommendation contained in the *Arena Roof Structural Assessment Report*, BRY-CO Engineering Limited consulted with Whittington Engineering Ltd. to determine the scope of work. On July 24, 2020, Whittington performed a site inspection of the eleven (11) bowstring trusses. The scope of work includes: the replacement of 17 truss support posts from solid timbers to steel columns (5 were previously done as part of recommendations from past structural roof assessment reports); reinforce existing trusses with plates to correct unbalanced loading conditions; preservation of existing glulam top and bottom chords of bowstring truss; tighten all rod cross bracing rods in all bays between trusses; and replace all existing web members and braces. Essentially, all of the interior roof truss system is being replaced except for the glulam beams.

On January 11<sup>th</sup>, 2021, *Tender 2021-PR-01 Repairs to Bowstring Trusses at the East Ferris Community Centre* was issued with a closing date of February 2<sup>nd</sup>, 2021. The closing date was later extended to February 23<sup>rd</sup>, 2021 due to the issuance of addendum related to paint testing for lead. On the closing date, we received three (3) bid submissions: Venasse Building Group Inc. for \$970,000.00, 1763995 Ontario Ltd. o/a Maki Construction for \$886,000.00, and Kenalex Construction Company Limited for \$787,200.00. All prices are exclusive of HST. The

submissions were reviewed by Mr. Bill Bryant, P.Eng., BRY-CO Engineering Limited, and the tenders submitted satisfy the requirements of the tender call. Mr. Bryant is recommending that the tender submitted by Kenalex Construction Company Limited be accepted and the contract awarded to that firm.

---

### **OPTIONS**

- Option #1      Accept a tender submission and award the contract for the work.
- Option #2      Do not accept a tender or award the work. The Municipality would need to continue to manage snow loads on the roof during the winter months and incur annual costs for snow removal.
- 

### **FINANCIAL IMPLICATIONS**

The 2021 capital budget has not been approved by Council, but it is imperative that we proceed with this project as there is limited time to complete the work. The cost of the work inclusive of HST is \$801,054.72. This cost does not include the cost of BRY-CO Engineering acting as site authority and overseeing the construction project on our behalf or Whittington Engineering's cost to inspect the work that they have recommended. At this time, the engineering costs cannot be estimated as the overall cost is dependent on how well the project proceeds and the number of inspections required.

Project financing has been secured through the Royal Bank of Canada. The loan has been set up in two (2) phases: construction financing with advances during the construction phase at RBC prime rate (currently 2.45%) + 0.5%, and a take-out loan for the final amount after completion of the project. The fixed loan interest rate will be quoted by RBC and fixed at time of borrowing. The terms available are five (5), seven (7), or ten (10) years and the loan is amortized over fifteen (15) years. As of the date of the offer, interest rates for a fixed term loan are as follows: five (5) year term 2.75%, seven (7) year term at 2.85%, and ten (10) year term at 3.55%.

---

### **RECOMMENDATION**

It is recommended that Council for the Municipality of East Ferris accepts the tender from and awards the contract to Kenalex Construction Company Limited in the amount of \$787,200.00 plus HST. Kenalex satisfied all the requirements of the tender call and was the lowest qualified bidder.

---

Respectfully submitted,

A handwritten signature in black ink, consisting of a large initial 'J' followed by a series of loops and a final dot.

---

Jason H. Trottier, HBBA, CPA, CMA  
CAO/Treasurer