

# HALIFAX

P.O. Box 1749  
Halifax, Nova Scotia  
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**Item No. 15.1.1**  
**Halifax Regional Council**  
**October 29, 2019**

**TO:** Mayor Savage and Members of Halifax Regional Council

Original Signed by 

**SUBMITTED BY:** \_\_\_\_\_  
Jacques Dubé, Chief Administrative Officer

**DATE:** September 24, 2019

**SUBJECT:** **Award – Request for Standing Offer No. 19H228 Fencing: Repairs, Replacements and Installations**

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## **ORIGIN**

The Approved 2019/20 Operating Budget.

## **LEGISLATIVE AUTHORITY**

Under the *HRM Charter*, Section 79 Halifax Regional Council may expend money for municipal purposes.

The recommended contract award complies with all of the pre-requisites for awarding contracts as set out in section 34 of Administrative Order 2016-005-ADM, the *Procurement Administrative Order*.

Section 36 of the *Procurement Administrative Order*, provides that Halifax Regional Council may approve contract awards of any amount.

## **RECOMMENDATION:**

It is recommended that Halifax Regional Council:

1. Award Request for Standing Offer No. 19H228 Fencing: Repairs, Replacements and Installations, to the lowest bidder meeting the specifications, Arkson Fence Ltd., at a total bid amount of \$7,279,106 (net HST included), and an initial term from date of award to June 30, 2022, with the ability to be renewed annually by HRM at its sole discretion for two additional years. The award amount is based on total bid on estimated quantities, however amounts will be shared with the awarded back up vendor and anticipated spend over the life cycle is estimated to be lower than this amount.
2. Award Request for Standing Offer No. 19H228 Fencing: Repairs, Replacements and Installations, to the backup bidder meeting the specifications, Eastern Fence Erectors Ltd., at a total bid amount of \$7,524,024 (net HST included) and an initial term from date of award to June 30, 2022, with the ability to be renewed annually by HRM at its sole discretion for two additional years. The award amount is

**Recommendation continued on next page**

based on total bid on estimated quantities, however amounts will be shared with the awarded primary vendor and anticipated spend over the life cycle is estimated to be lower than this amount.

## **BACKGROUND**

The Approved 2019/20 Operating Budget includes funding for fencing repairs, replacement and new installations. HRM owns and maintains many facilities and fields throughout the Municipality with numerous fences. Many of those facilities and fields have fencing requirements, including the repair of existing fences, replacement of fencing or the installation of new fencing. In order to manage this work on a timely and cost-effective basis, HRM establishes standing offer(s) with qualified bidders.

The standing offer will be for a period of three years, with the option to renew annually for an additional two years based on performance. With standing offers, the approved list of bidders are able to be hired for fencing work without additional procurement steps. The intent is to award to one primary vendor, with a backup vendor for emergency and/or as required for projects should the primary vendor be unavailable.

## **DISCUSSION**

Request for Standing Offer No. 19H228 was publicly advertised on the Province of Nova Scotia's Procurement website on May 31, 2019 and closed on June 27, 2019. Three bids were received.

### **Name of Company**

### **Bid Price (net HST included)**

Arkson Fence Ltd.

\$7,279,106\* (three-year total based on estimated usage)

Eastern Fence Erectors Ltd.

\$7,524,024\*\* (three-year total based on estimated usage)

Maritime Fence

\$14,677,644 (three-year total based on estimated usage)

**\*recommended bidder**

**\*\*recommended backup bidder**

## **FINANCIAL IMPLICATIONS**

With standing offers, funds are only allocated when a purchase order is requested. Purchase orders will be funded by approved Operating budgets.

## **RISK CONSIDERATION**

There are no significant risks associated with the recommendations in this Report. The risks considered rate low. To determine this, consideration was given to financial, administrative and operational risk.

## **ENVIRONMENTAL IMPLICATIONS**

There are no environmental implications.

## **ALTERNATIVES**

Regional Council could choose not to approve the recommendations in this report. This would result in the requirement for separate procurement processes each time fencing work is required.

**ATTACHMENTS**

None.

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 490-4208.

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