#### REPORT NO. 11 of the FAMILY AQUATICS AND LIBRARY COMPLEX STEERING COMMITTEE

of its meeting held October 25, 2011

**Present:** 

Conncillor Dilkens, Chair Councillor Sleiman Conncillor Jones Conncillor Payne

**Regrets:** 

#### **Conncillor Fnlvio Valentinis**

Your Steering Committee submits the following recommendation:

Moved by Councillor Jones seconded by Councillor Sleiman,

**WHEREAS** the City of Windsor recognizes the process prescribed in the Request for Proposals for the Design and Construction of the Family Aquatics and Library Complex does not provide for the payment of an honorarium to unsuccessful bidders; and

**WHEREAS** the City of Windsor is cognizant of the significant time, effort and cost on the part of the proponents to respond to the RFP; and

**WHEREAS** the question of honoraria for this project was specifically posed during the request for qualification process undertaken prior to the release of the RFP; and

**WHEREAS** the City of Windsor considered the question of honoraria for this Project and ultimately replied via addendum to all potential proponents during the prequalification that it did not intend to pay an honorarium; and

**WHEREAS** letters were received from the President of the Ontario General Contractors Association in opposition to the decision to deny honoraria;

THEREFORE BE IT RESOLVED that the request for honoraria for unsuccessful proponents BE DENIED.

Carried.

<u>*Clerk's Note:*</u> The following letters are <u>*attached*</u> as background information:

- Letter from the Ontario General Contractors Association to the Manager of Purchasing & Risk Management dated October 4, 2011
- Letter from the Manager of Purchasing & Risk Management to the Ontario General Contractors Association dated October 6, 2011
- Letter from the Ontario General Contractors Association to the Manager of Purchasing & Risk Management dated October 19, 2011
- Letter from the Ontario General Contractors Association to Ma or October 21, 2011

[ IRPERSON **COMMITTEE COORDINATOR** 

## WEBUILD<Ji:>NTARIO

. \ ONTARIO GENERAL CONTRACTORSASSOCIATION

Suite 703, 6299 Airport Road, Mississauga, ON L4V 1N3 TEL: (905)671-3969 FAX: (905)671-8212

October 4, 2011

By email:

purchasing@city.windsor.on.ca

• Shelby Askin Hager Manager of Purchasing & Risk Management Corporation of the City of Windsor

Office of the City Solicitor 400 City Hall Square East, Suite 403 Windsor, Ontario N9A 7K6

... Reference: RFP # 114-11 -Design and Construction of a Family Aquatic and Ubrary Complex

Dear Sir or Madam:

The industry has strongly supported the practice of honorariums when procurement of projects is being  $\dots$  done through the Design Build process.

Everyone has recognized that submitting Design Build proposals is a very costly enterprise. To ensure that there is a strong response to such tenders, many owners offer an honorarium to the unsuccessful teams in recognition of the very I}igh cost of submitting these proposals. The amounts, while not significant iri terms of the overall cost of a proposal, are appreciated and do allow more bidders to . participate.

The Government of Ontario's Infrastructure Ontario and Ontario Realty Corporation both recognized this at the start of their ambitious program and included the process in their project tenders. Your project mirrors the Infrastructure Ontario process but excludes the honorarium.

- Without honorariums, few architects and contractors are willing to risk the cost of responding to Design . Build projects.

• The Ontario Association of Architects, OGCA and the Canadian Design Build Institute all support this practice. We urge you to include the process of an honorarium.

- ----· 11,we can provide further explanation, please contact our office and we will be pleased to assist in any way we can.
  - · Yours very truly,

ONTARIO GENERAL CONTRACTORS ASSOCIATION

Clive Thurston, CBCO, GSC President

Ref: RFP # 114-11 - Design and Construction of a Family Aquatic and Library Complex

# THE CORPORATION OF THE CITY OF WINDSOIL OFFICE OF THE CITY SOLICITOR

GEORGE WILKKI City Solicitlir

Shelby ,\skincHager Managtr of Purchasing aud Risk Management

#### (519)255"6272 TELEPHONE NUMBJi;R

6 October 2011

Via email to mary@l)gca.ca

Ontario General Cpntra:ctors Asspciatioll Suite 703, 6299 Airport Road Mississauga, Ontario L4V IN3

AttentionTC!tve Thurston

Dear Sir:

## .... RFP 114-11 : Design and Construction of Fa:ntily Aquatic and Library Complex

This letter is in response to your <eorrespondence of 4 October 201:1 regarding honoraria in respect of the above project.

• The City of Windsor does indeed recognize that the process ptesc:ribc;d in the RFP will require • SigriifiCiJ!lttim\l and.effort on the\_part of the proponents to respond.and we appteciate the points• .raised.in your letter.

•Thequestion of honoraria for this project was specifically, posed during therequestJw

- quali;lication process undertaken p:ri0t to the release of the RFP. The City of Windsor consic!erecl th.is q1testion and ultimately replied via.addendum to allp.otential ptoponen:ts that it did not intend to pay ill honorarium on this prpject.

Thank youfor.bringing this matter for Ward on befial fof youi membership. If the City's dire on chim,;g s -in this project, we will advise accor<lin:gly.

YQllrsTmly,

### TbeCorpolffltitln of-the CityofWindsor

\1:J:-Z. T.Y.--\_..., ShelbyAskin Hager M ager .d Risk Management

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\ ONTARIO GENERAL CONTRACTORS ASSOCIATION

 Suite 703, 6299 Airport Road, Mississauga, ON L4V 1N3 TEL: (905)671-3969 FAX: (905)671:s212

October 19, 2011

By email: purchasing@city.windsor.on.ca

Shelby Askin-Hager Manager of Purchasing & Risk Management Corporation of the City of Windsor Office of the City Solicitor 400 City Hall Square East, Suite 403 Windsor, Ontario N9A 7K6

• Reference: RFP # 114-11 - Design and Construction of a Family Aquatic and Library Complex

Dear Ms. Askin-Hager:

Tha k-you-for responding to our.concerns on this project. We were greatly disappointed by your response as was the OGCA Board of DirectC>rs and the proponents. While you recognize the points we made, especially the immense cost to the proponents, without explaining why, you dismiss the very real need to provide an Honorarium for this project.

As a result, the OGCA Board respectfully requests you reconsider your position and follow the very reasonable practice of using honoraria for these types of projects. Both Infrastructure Ontario and theDesign Build Institute of Canada can provide information and assistance in this area.

.. This is a technology and tinie challenged project for proponents to effectively provide you with the best possible project. They need to be treated fairly and reasonably.

We appreciate you taking the time to reconsider your position.

.Yours sincerely,

.· ONTARIO GENERAL CONTRACTORS ASSOCIATION

Clive Thurston President

cc:·· Mike Reinders, Chairman Jim Lyons - Windsor Construction Association Kristi Doyle - Ontario Association of Architects

Ref: ..RFP # 114-11 ....Design and Construction of a Family Aquatic and Library Complex

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ONTARIO GENERAL CONTRACTORS ASSOCIATION

October 21, 2011

Mississauga, ON L4V 1N3 TEL: (905)671-3969 FAX: (905)671-8212

Suite 703, 6299 Airport Road,

Email: mayoro@city.windsor.on.ca

Mayor Eddie Francis Mayor's Office 350 City Hall Square West I>.O. Box 1607 Windsor, Ontario N9A6S1

RF!>#114-11- Design & Construction of Family Aquatic and Library Complex

Dear Mayor Francis:

Reference:

• The Ontatio General Contractors Association represents over 200 general contractorsthroughout Ontario. We • provide the industry with a n\_1, lmi;-er of services including the review of tender documents. Jhisis done in the belief that a clear, concise and equitable set of bidding documents will beneficial of the partie involved: the design - .e--  $\Box$ professional, the contractor and most importantly, the owner.

We have made several attempts to communicate to your representatives the imp rtar\ce-of a fair process for this project.

The City's response of October 6 recognizes the high costs to the proponents who wish to compete for this project. Yet.the ...City still refuses to consider the necessity for an honorarium. On a complex project with a tight timeline, it is essentianhat the bidders.be able to put forward the resources and expertise needed to provide a response.

At present, we wish to advise you that all four proponents are reconsidering their participation on this project. They .anci their partners cannot assume such large expenditures of time, cost and expertise without fair compensation.

Infrastructure Ontario and the Design Build Institute of Canada have fair formats for addressing the issue. The OGCA would be pleased to assist you in obtaining that information and helping to address this serious matter. Without the i.nclusion of an honorarium, we cannot <u>assure</u> you that you-will receive sufficient responses to your project.

· · We.remain committed.to a\_ssisting.in any way we c;m to resolving this issue.

Yours sincere.Iv,

ONTARIO GENERAL CONTRACTORS ASSOCIATION

Clive Thurston President

·· cc:" Mike Rei.nders, Chairman

Ref: RFP # 114-11- Design & Construction of Family Aquatic and library Complex

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