RECOMMENDATION:  THAT Report CS-123-03, dated December 5, 2003 be received for information.

AND THAT COUNCIL approve the highlighted recommendations included in the body of this report.

AND THAT the Coordinator, Purchasing be authorized to execute contracts and the Mayor and Clerk be authorized to sign any and all required paperwork.

EXECUTIVE SUMMARY
This report is being submitted to have council’s authorization on the variance items listed below. On the following projects it was determined that the open market purchasing processing outlined in Purchasing-law 100-00 would not result in the best buy for the Town. Outlined below are the suppliers that the town would like to enter into direct negotiation with for the goods/services described, have delegated authority to award a bid or extend a current contract.

REPORT

COMMUNITY SERVICES

Drink Rights  $85,000 (revenue)
A Request for Proposal was issued to the marketplace for the drink rights for the Town of Milton. This contract would give the Town revenue for the right to distribute their product at in both the concessions and in the vending machines. Two companies submitted bids, Coke and Pepsi. The bids were analysed by the
The Corporation of the
TOWN OF MILTON

Town’s Concession Consultant and it is recommended that staff be authorized to negotiate and award this contract to Pepsi Bottling Group, for a period of five year starting January 1, 2004, for a total of revenue and in-kind dollar amount of $85,000.

Consulting Services – Revenue Generation
Fraser & Associates Consulting Inc., Mississauga  $39,552
An employment notice was posted to hire a Coordinator, Revenue Generation, as a result of that posted a list was short listed and interviewed. Marg Fraser was offered the position, with the terms that we contract with her company and not with her personally. It is recommended that the contract for revenue generation be awarded to Fraser & Associates Consulting Inc., Mississauga for a period of one year.

ENGINEERING SERVICES
Salt Spreader Unit Installation $48,000
This capital expenditure was not included in the 2004 capital budget due to an error in processing the budget. In order to make use of the salt spreader units for this winter, staff is requesting special funding approval for 5 units. They are part of a planned program and will reduce salt application by 20% for the sanders equipped with these units. If they are purchased now, they can be installed and operating by mid January 2004. It is recommended that 5 salt spreader units costing an estimated $48,000 be purchased immediately and funded from the equipment replacement reserve.

PLANNING & DEVELOPMENT
CH2M Hill Contract Extension Additional $28,000
A bid was issued in 2003 for consulting services to develop a “Sustainable Development Standards Manual”. As a result there was a requirement for an internal review of the Engineering Standards. The total of this contract is $75,872.66. This is notification of the change only.

BDG Consulting Additional $31,000
BDG Consulting was hired in 2002 for an upset limit of $25,000 to provide consulting work in relation to the Eco-Tech Village. Additional services were requested from BDG to facilitate the design charettes, draft the Green Paper, apply for and follow up on FCM funding applications and be the liaison with sub consultants. Staff is recommending that this contract be extended by an additional $31,000, for a total of $56,000.
FINANCIAL
Any budget issues are noted in the body of the report, otherwise it is in accordance with the approved operating and capital budgets.

Respectfully submitted,

Jim McQueen
Director of Corporate Services & Treasurer

JCM: Iw

CAO Approval: __________________________