

## CITY OF VAUGHAN

### **EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 20, 2015**

Item 6, Report No. 1, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on January 20, 2015.

#### **6 AWARD OF TENDER T14-249 AND BUDGET AMENDMENT RECONSTRUCTION/REHABILITATION AND WATERMAIN REPLACEMENT OF VARIOUS ROADS IN THE WYCLIFFE AREA WARD 2**

**The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Commissioner of Public Works and the Director of Capital Delivery and Asset Management, dated January 12, 2015:**

##### **Recommendation**

The Commissioner of Public Works and the Director of Capital Delivery and Asset Management in consultation with the Director of Purchasing Services and the Director of Financial Planning and Analytics recommend:

1. That Tender T14-249, Reconstruction/Rehabilitation and Watermain Replacement of Various Roads in the Wycliffe Area be awarded to Four Seasons Site Development Ltd., in the amount of \$3,926,211.00 plus applicable taxes;
2. That a contingency allowance in the amount of \$400,000.00, plus applicable taxes be approved within which the Commissioner of Public Works or his designate is authorized to approve amendments to the contract;
3. That a Geotechnical and Material Testing amount of \$40,000.00, plus applicable taxes be approved to ensure compliance with all applicable standards;
4. That the amounts of the above recommendations illustrated within this report, including all contingency allowances, applicable taxes and administration recovery be funded from Capital Project EN-1942-13 and the following budget amendments resulting in an overall increase of \$675,337.22 be approved:
  - a. \$904,313.74 be transferred from Capital Project EN-1870-12 to EN-1942-13; and
  - b. Water Reserve Funding be reduced by \$228,976.53.
5. That the inclusion of this matter on a Public Committee or Council agenda with respect to amending the capital budget identified as Award of Tender T14-249 and Budget Amendment is deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002; and
6. That the Mayor and City Clerk be authorized to sign the appropriate documents.

##### **Contribution to Sustainability**

An integral part of a sustainable city is effective asset management. Through infrastructure investments, the risk of failure is reduced and system reliability improved, providing optimal service to residents. The proposed reconstruction/rehabilitation of roads and watermain replacement will maximize the return on the City's Capital and operating investments and ensure that an acceptable level of service is maintained for the health and well being of its citizens.

The reconstruction/rehabilitation of the existing roads by utilizing recycled construction materials is consistent with Green Direction Vaughan Goal #1: To significantly reduce our use of natural

## CITY OF VAUGHAN

### **EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 20, 2015**

#### Item 6, Finance Report No. 1 – Page 2

resources and the amount of waste we generate, in particular Objective 1.1. To reduce greenhouse gas emissions and move towards carbon neutrality for the City of Vaughan's facilities and infrastructure.

#### **Economic Impact**

The total project cost of \$4,576,348.00 is available within Capital Project EN-1942-13 with the recommended budget amendment. Capital Project EN-1870-12, 2012 Pavement Management Program - Phase 3 is complete and has remaining funds of \$1,072,522.31. Upon approval of this report, and transfer of \$904,313.74 to EN-1942-13, Capital Project EN-1870-12 will be closed. A detailed explanation of the funding is provided in the **Background-Analysis and Options** section of this report.

As illustrated in Table 2, the actual tender costs received have resulted in the watermain costs to be \$228,976.53 less than the estimated budget, and the roads component being \$904,313.74 higher than the budget. The budget amendment will result in a net increase to capital project EN-1942-13 of \$675,337.21. There is no additional economic impact as the roads component can be funded from the budget remaining in Capital Project EN-1870-12, (2012 Pavement Management Program), since project EN-1942-13 has the same funding source (Debenture Financing) as project EN-1870-12.

#### **Communications Plan**

Once the project is awarded, staff will advise the Mayor and Members of Council and will distribute a newsletter to the affected residents.

#### **Purpose**

Council approval to award Tender T14-249, Reconstruction/Rehabilitation of Various Roads in the Wycliffe Area and Watermain Replacement on Kiloran Avenue, Torran Road, Colton Crescent South and Colton Crescent North and amend the associated capital budget.

#### **Background – Analysis and Options**

##### **The Road Reconstruction and Watermain Replacement in the Wycliffe Area was approved as part of the 2013 Capital Budget**

The scope of work as part of this contract includes the replacement of ductile iron watermain and road rehabilitation on Torran Road, Kiloran Avenue, Colton Crescent South and Colton Crescent North, as well as road rehabilitation on Kiloran Avenue, Wycliffe Avenue, Squire Graham Lane, Kilmuir Gate, Cairnburg Place, Bridgend Court South, Bridgend Court North, Arnish Street, Colton Drive, Wycliffe Gate, Calgary Gate and Dobie Court (See Attachment No. 1 for project locations and limits). Toronto and Region Conservation Authority (TRCA) approval is required for this project. Formal approval will be obtained before commencing any work within the TRCA regulated area.

##### **On December 2, 2014, bids were received for T14-249, Reconstruction/Rehabilitation and Watermain Replacement of Various Roads in the Wycliffe Area**

The tender was advertised in the Daily Commercial News, on the Ontario Public Buyers Association (OPBA) and on Biddingo on November 18, 2014 and on the City Webpage on November 17, 2014 and closed on December 2, 2014. A total of 7 compliant bids were received:

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 20, 2015**

Item 6, Finance Report No. 1 – Page 3

<u>Contractor</u>	<u>Total Bid Amount (excl. H.S.T.)</u>
Four Seasons Site Development Ltd.	* \$3,926,211.00
D. Crupi & Sons Ltd.	\$4,421,979.70
Trisan Construction	\$4,546,408.40
Direct Underground Inc.	\$4,666,358.00
Fermar Paving Ltd.	\$5,036,088.81
Tedescon Infrastructure Ltd.	\$5,353,100.00
Rafat General Contractors	\$5,615,595.00

\* Corrected for arithmetic error

The total estimated cost for the construction of this project is \$4,580,000.00 and is calculated as follows:

<b>TABLE 1: ESTIMATED CONSTRUCTION COSTS</b>			
	<b>Watermain \$</b>	<b>Roads \$</b>	<b>Total \$</b>
Four Seasons Site Development Ltd. Bid Price (Excluding H.S.T.)	1,154,110.00	2,772,101.00	3,926,211.00
Contingency Allowance (approx.10%)	120,000.00	280,000.00	400,000.00
Geotechnical Allowance & Material Testing	12,000.00	28,000.00	40,000.00
<b>Sub-Total</b>	<b>1,286,110.00</b>	<b>3,080,101.00</b>	<b>4,366,211.00</b>
H.S.T. (1.76%) Not Recoverable	22,635.54	54,209.78	76,845.31
<b>Total</b>	<b>1,308,745.54</b>	<b>3,134,310.78</b>	<b>4,443,056.31</b>
Administration (3%)	39,262.37	94,029.32	133,291.69
<b>Net Total Cost</b>	<b>1,348,007.90</b>	<b>3,228,340.10</b>	<b>4,576,348.00</b>

**ROUNDED \$4,580,000.00**

<b>TABLE 2: PROJECT FUNDING POSITION SUMMARY</b>				
	<b>EN-1942-13</b>			<b>EN-1870-12</b>
	<b>Watermain \$</b>	<b>Roads \$</b>	<b>Total \$</b>	<b>Roads \$</b>
Approved Budget	1,619,881.00	2,429,049.00	4,048,930.00	3,349,600.00
Expenses to date	(42,896.57)	(105,022.64)	(147,919.22)	(2,277,077.69)
Current Funds Remaining	1,576,984.43	2,324,026.36	3,901,010.78	1,072,522.31
Net Total Cost	(1,348,007.90)	(3,228,340.10)	(4,576,348.00)	0.00
<b>Amount Exceeding Capital Project Budget</b>	<b>228,976.53</b>	<b>(904,313.74)</b>	<b>(675,337.22)</b>	<b>1,072,522.31</b>
<b>Funding Adjustments</b>				
Transfer from EN-1870-12		904,313.74	904,313.74	(904,313.74)
Reduction in Water Reserve Funding	(228,976.53)		(228,976.53)	
<b>Total Funding Adjustments</b>	<b>(228,976.53)</b>	<b>904,313.74</b>	<b>675,337.21</b>	
<b>Balance Remaining</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>168,208.56</b>

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 20, 2015**

Item 6, Finance Report No. 1 – Page 4

The roads included within this contract were identified in the City's Pavement Management Program (PMP) requiring resurfacing/rehabilitation. Prior to finalizing the detailed design of each road section, a geotechnical investigation is undertaken to determine the most effective rehabilitation strategy for each road.

Due to the timing of this project, the geotechnical investigation was performed in the spring of 2014. The evaluation revealed that the overall condition of these roads had deteriorated more than anticipated, as evident through increased pot holes, drainage problems and curb settlements. Staff have determined that this is attributable to the severe winter conditions experienced in 2013/2014. The geotechnical investigation also revealed that more extensive road work and curb replacement would be required, which has resulted in the tender exceeding the budget amount. As a result, additional funding is required and that can be transferred from Capital Project EN-1870-12 to EN-1942-13.

The project is not considered to be high in complexity and is of short duration, with a well defined scope. In accordance with the Contingency Matrix (identified in Appendix 1 of the Capital Project Finance Administration and Reporting Policy), a contingency allowance of 10% has been identified as an appropriate amount to address any unforeseen work in completing the scope of this project.

Any residual funds will be transferred back to the original funding sources upon completion of the project.

Based on the review of the bids by staff, it is appropriate to award T14-249, Reconstruction/Rehabilitation and Watermain Replacement of Various Roads in the Wycliffe Area, to the lowest compliant and responsive bidder, Four Seasons Site Development Ltd.

**Relationship to Vaughan Vision 2020/Strategic Plan**

In consideration of the strategic priorities related to Vaughan Vision 2020, the recommendations of the report will assist in enhancing and maintaining community safety, health and wellness by ensuring that an appropriate level of service for the roadway conditions are maintained for the citizens of Vaughan. The replacement of the existing watermain will ensure that drinking water quality standards and infrastructure are maintained for the residents of the City of Vaughan.

**Regional Implications**

Not Applicable.

**Conclusion**

Staff recommends that this contract be awarded to Four Seasons Site Development Ltd., in the amount of \$3,926,211.00, plus applicable taxes. Sufficient funding is available in the Capital Project EN-1942-13 with the budget amendment to complete this project.

**Attachments**

1. Location Map

**Report prepared by:**

John Zanchettin, C.E.T., Senior Engineering Assistant, ext. 8470  
Paolo Masaro, P. Eng., Manager (Acting) Design Services, ext. 8446

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)