

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MAY 14, 2013

Item 11, Report No. 19, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on May 14, 2013.

**11 BUDGET AMENDMENT AND AWARD OF TENDER T13-007
 MAJOR MACKENZIE STREETScape
 WARD 1 AND 4**

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Commissioner of Engineering and Public Works, dated April 30, 2013:

Recommendation

The Commissioner of Engineering and Public Works in consultation with the Director of Purchasing Services and the Director of Budgeting and Financial Planning recommends:

- 1) That Tender T13-007, Major Mackenzie Streetscape, be awarded to Pine Valley Enterprises Inc., in the amount of \$2,067,308.00, plus applicable taxes;
- 2) That the following project costs, plus applicable taxes, be approved:
 - a) A contingency allowance in the amount of \$210,000.00, within which the Commissioner of Engineering and Public Works or his designate is authorized to approve amendments to the contract;
 - b) A utility relocation amount of \$18,000.00;
 - c) Additional funds in the amount of \$55,000.00, required for additional design and construction administration, to Stantec Consulting Ltd., pursuant to RFP 10-377;
 - d) Additional funds in the amount of \$85,000 for the procurement of project management services;
- 3) That a budget amendment be made to DP-9017-10 to reflect the recognized additional grant funding to be received by the Regional Municipality of York in the amount of \$84,930.00 and associated project expenses;
- 4) That the inclusion of this matter on a Public Committee or Council agenda with respect to amending the capital budget identified as Budget Amendment - Award of Tender T13-007 is deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002;
- 5) That the amounts of the above recommendations, illustrated within this report, be funded by Capital Budget - Project No. DP-9017-10, including all contingency allowances, administration recovery and applicable taxes; and
- 6) That the Mayor and City Clerk be authorized to sign the appropriate documents.

Contribution to Sustainability

The Major Mackenzie Drive Streetscape project will support environmental sustainability and fulfill a number of goals and objectives outlined by the plan, specifically:

Goal 2: To ensure sustainable development and redevelopment.

Goal 3: To ensure that Vaughan is a city that is easy to get around with low environmental impact.

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The needs of pedestrians, redevelopment and public transit will be supported by the strengthening and improvement of the public realm. The Major Mackenzie Drive Streetscape will be instrumental in establishing and enhancing a strong sense of place and community image, while integrating the area's contemporary and heritage elements. Environmentally sustainable materials and features will facilitate pedestrian movement throughout the area, create street character, social spaces, streetscape quality and environmental sustainability.

Economic Impact

The budget amendment is necessary to incorporate project related costs which are fully offset by additional York Region Grant funding. This results in a budget change, but overall there is no additional budget impact to the 2010 Capital Budget - Project No. DP-9017-10. The illustrated project cost of \$2,553,000 plus commitments falls within the amended budget amount. Due to the highly complex nature of this project, it is recognized that a 15% contingency is in line with the level of risk; to mitigate this risk a portion of this contingency is to be re-directed to the engagement of an external project consultant. Further details regarding the project are outlined below.

The Major Mackenzie Streetscape project has been approved for funding through the Municipal Streetscape Partnership Program (MSPP), from the Regional Municipality of York

The Regional Municipality of York - Municipal Streetscape Partnership Program provides funding to help municipalities create vibrant and attractive Regional Roads. On June 13, 2011, the City submitted an application with supporting documentation for cost sharing partnership for the Major Mackenzie Streetscape project. The Regional Municipality of York, at its Council Meeting of October 20, 2011, approved funding to the City in the amount of \$654,038.00, as part of this program, for street trees, planters, decorative pedestrian lighting, retaining walls and paving strips on Major Mackenzie Drive, from Keele Street to McNaughton Road East/Peter Rupert Avenue. In 2012, an additional \$73,450.00 was also approved, as part of the MSPP, for the use of decorative street lighting that was incorporated in this project.

The scope of the Major Mackenzie Streetscape was increased to include streetlighting within the limits of the project

Item 13 in Report No. 7 of the Committee of the Whole, which was adopted without amendment by Council on February 15, 2011, awarded RFP 10-377 to Stantec Consulting Ltd. The total value of the assignment, excluding H.S.T., was \$168,874.54, which included the detailed design and contract administration for the Major Mackenzie Streetscape.

During the detailed design phase of this project, it was identified that the streetlighting along Major Mackenzie Drive, within the limits of this project, does not meet the City's standard for lighting levels. In an effort to reduce overall project costs, impact to local residents and businesses, improve construction efficiencies and reduce street furniture within the boulevard of Major Mackenzie Drive, streetlighting was added to the scope of the project. A reduction in street furniture was achieved through the use of a common pole standard to accommodate both the streetlighting and pedestrian lighting. A budget request was approved as part of the 2012 budget deliberations (Capital Budget - Project No. EN 1876-12) for the required streetlighting along Major Mackenzie Drive; this project is funded through the roads infrastructure reserve.

The additional consultant costs for the design and contract administration associated with the streetlighting is approximately \$55,000.00. Staff have reviewed these figures and are satisfied with the proposed time and costs required to accommodate the expanded scope of work.

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Concurrent projects being carried out at the City Hall Campus site have precipitated the need for external project management

Staff from both Community Services and Engineering & Public Works commissions have been co-ordinating the various projects at the City Hall Campus site, which also includes the future resurfacing and road widening of Major Mackenzie Drive by the Regional Municipality of York. To ensure the ongoing co-ordination of these projects, the procurement of external project management services for the Major Mackenzie Streetscape project would be beneficial in mitigating risks, ensuring proper management of construction costs, and the general contractor adhering to timelines in accordance with City's and Regional Municipality or York's requirements. It is estimated that \$85,000 would be required for project management services.

Typically, with a project of this nature, a contingency allowance of 15% would be recommended. However, with the procurement of project management services as a risk mitigation measure, the contingency for this project can be reduced to 10%.

Communications Plan

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

Purpose

Council approval to amend Capital Budget - Project No. DP-9017-10, and award Tender T13-007, Major Mackenzie Streetscape.

Background - Analysis and Options

In 2006, the Village of Maple - Streetscape Implementation Plan was developed and endorsed by Council. The Major Mackenzie Drive Streetscape, from Keele Street to McNaughton Road/Peter Rupert Avenue was identified within the plan. The work covered by this tender includes the installation of hard and soft landscaping, pedestrian and street lighting, and sidewalks on Major Mackenzie Drive from Keele Street to Peter Rupert Avenue/McNaughton Road East in Wards 1 and 4, as part of Capital Budget - Project No. DP-9017-10. (See Attachment No. 1 for project location).

In an effort to reduce costs and duplication, the work identified within the south boulevard of Major Mackenzie Drive, adjacent to the old Civic Centre, has been excluded from this contract as a result of a future road widening to be completed by the Regional Municipality of York. The remaining streetscaping work within this area, will be completed at a later date.

The tender was advertised in the Daily Commercial News, on the Ontario Public Buyers Association (OPBA), on Biddingo and on the City Webpage and closed on March 28, 2013. A total of 25 sets of bid documents were picked up from the Purchasing Services Department and the following 7 bids were received:

<u>Contractor</u>	<u>Total Bid Amount (excl. H.S.T.)</u>
Pine Valley Enterprises Inc.	\$2,067,308.00
Vaughan Paving Ltd.	\$2,174,827.81
Il Duca Contracting Inc.	* \$2,391,572.20
Midome Construction Services Ltd.	\$2,555,000.00
Aloia Bros. Concrete Contractors Ltd.	* \$2,766,934.06
Cedar Springs Landscape Group Ltd.	* \$2,804,846.25
Trisan Construction	* \$2,915,880.50

* Corrected for arithmetic error.

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The estimated cost for the construction of this project is \$2,553,000.00 and is calculated as follows:

Pine Valley Enterprises Inc. Bid Price (excluding H.S.T.)	\$2,067,308.00
Contingency Allowance (approx. 10%)	\$ 210,000.00
Construction Administration and Inspection (estimated)	\$ 55,000.00
Utility Relocation (estimated)	\$ 18,000.00
Project Management Services	\$ 85,000.00
Sub-Total	\$2,435,308.00
H.S.T. (1.76%) Not Recoverable	\$ 42,861.42
Total	\$2,478,169.42
Administration Recovery (3%)	\$ 74,345.08
Net Total Cost	\$2,552,514.50

ROUNDED \$2,553,000.00

PROJECT FUNDING POSITION SUMMARY	
CAPITAL PROJECT	DP-9017-10
Approved Budget	\$2,653,624.00
Less: Exp. & Commitments to Date	(\$ 182,195.12)
Current Funds Remaining	\$2,471,428.88
Add: Additional Grant Funding (Regional Municipality of York)	\$ 84,930.00
Less: Net Total Cost	\$2,552,514.50
Balance Remaining	\$ 3,844.38

This is a multi-disciplinary project affecting multiple asset classes. As a result of this increased complexity and the duration of the project it is appropriate to assign a contingency allowance of 10% to address any unforeseen work in completing the scope of this project, together with the procurement of project management services. Any residual funds will be returned to the original funding source.

Engineering Services staff and the City's consultant, Stantec Consulting Ltd. have reviewed the submitted bids. Pine Valley Enterprises Inc. has completed projects of similar scope for the City, however, these projects were of lesser value than this project. References checked were satisfactory and Pine Valley Enterprises Inc. is deemed qualified to undertake this project. It is appropriate to award this contract to the low bidder, Pine Valley Enterprises Inc.

As with all City projects, this project will be monitored closely to ensure that construction within the core of the Village of Maple progresses as smoothly as possible and that the contractor fulfills all contractual obligations.

All necessary permits and approvals required for this project have been obtained.

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 well by ensuring that an appropriate level of service for the roadway conditions are maintained for the citizens of Vaughan.

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Regional Implications

The Regional Municipality of York will be notified of project commencement.

Conclusion

Staff recommends that this contract be awarded to Pine Valley Enterprises Inc. in the amount of \$2,067,308.00, plus applicable taxes.

Attachments

1. Location Map

Report prepared by:

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(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.)