

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF SEPTEMBER 25, 2012

Item 9, Report No. 33, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on September 25, 2012.

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**AWARD OF TENDER T12-141
FIRGLEN RIDGE WATERMAIN REPLACEMENT
WARD 2**

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Commissioner of Engineering and Public Works, dated September 4, 2012:

Recommendation

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

1. That Tender T12-141, Firglen Ridge Watermain Replacement be awarded to Tedescon Infrastructure Ltd. In the amount of \$743,300.00, plus applicable taxes;
2. That a contingency allowance in the amount of \$74,330.00, plus H.S.T, be approved within which the Commissioner of Engineering and Public Works or his designate is authorized to approve amendments to the contract;
3. That Geotechnical and Material Testing in the amount of \$8,000.00, plus applicable taxes be approved to ensure compliance with all applicable standards;
4. That funding of the above recommendations in the sum of \$866,000.00 be approved from Capital Budget No. EN-1874-12, including all contingency allowances administration recovery and applicable taxes;
5. That an additional amount of \$78,142.00 be approved for this project, to be funded from the Water Reserve;
6. That the inclusion of the matter on a public Committee or Council agenda for the additional funding request identified as Firglen Ridge Watermain Replacement is deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002; and
7. That the Mayor and City Clerk be authorized to sign the appropriate documents.

Contribution to Sustainability

The Firglen Ridge Watermain Replacement project will ensure that an acceptable level of service by the City's Infrastructure is maintained for the health and well being of its citizens.

A portion of this tender includes an environmentally sustainable method of construction as the proposed watermain pipe will be installed by horizontal directional drilling rather than a conventional trenching operation. This alternative construction method is in keeping with the sustainability objectives identified in Green Directions Vaughan, in particular Objective 1.1 to reduce emissions and move towards carbon neutrality for the City of Vaughan's facilities and infrastructure. The proposed replacement of a portion of this watermain by horizontal direction drilling reduces the need for exporting and importing granular material and is therefore consistent with the same goal and objective.

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Economic Impact

\$788,000.00 of the \$866,000.00 required funding for the project is available within Capital Project No. EN-1874-12. A detailed explanation of the funding is provided in the **Background – Analysis and Options** section of this report.

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 award Tender T12-141, the Firglen Ridge Watermain Replacement.

Background - Analysis and Options

The scope of work as part of this contract includes the replacement of ductile iron watermain on Firglen Ridge by open cut method, Margaret Mary Road by horizontal directional drilling and within the walkway connecting Firglen Ridge to Dorwood Court by horizontal directional drilling. The watermain sizes vary from 150mm, 200mm, 250mm to 300mm in diameter, with a combined total length of approximately 1,560 metres. Capital Project No. EN-1874-12. (See Attachment No. 1). This work will be completed ahead of road rehabilitation work scheduled for 2013. There are no outstanding permits and/or approvals required for this project.

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 August 9, 2012. A total of 17 sets of bid documents were picked up from the Purchasing Services Department and the following 11 bids were received:

<u>CONTRACTOR</u>	<u>BID PRICE (EXCL. H.S.T.)</u>
Tedescon Infrastructure Ltd.	\$ 743,300.00
Direct Underground Inc.	\$ 792,000.00
C.G. Construction Services Ltd.	\$ 811,441.00
E.R.P. Savini Construction Co. Ltd.	\$ 833,745.00
Rabcon Contractors Ltd.	\$ 869,700.00
New-Alliance Ltd.	\$ 944,000.00
Tectonic Infrastructure Inc.	\$ 947,962.59
FDM Contracting Co. Ltd.	\$1,021,240.00
Midome Construction Services Ltd.	\$1,125,000.00
Trisan Construction	\$1,368,879.00
Gio Crete Construction Ltd.	\$1,948,108.00

The estimated cost for the construction of this project is \$866,000.00 and is calculated as follows:

Tedescon Infrastructure Ltd. Bid Price (excluding H.S.T.)	\$743,300.00
Contingency Allowance (approx. 10%)	\$ 74,330.00
Geotechnical Allowances and Material Testing (estimated)	\$ 8,000.00
Sub-Total	\$825,630.00
H.S.T. (1.76%) Not recoverable	\$ 14,531.09
Total	\$840,161.09
Treasury Administration (3%)	\$ 25,204.83
Net Total Cost	\$865,365.92
ROUNDED	\$866,000.00

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During the detailed design phase of this project, two short watermain segments connecting to Firglen Ridge were identified to have similar characteristics (in material, age, and condition) as the Firglen Ridge watermain. One segment of watermain is along Margaret Mary Road and the other connects to the watermain on Dorwood Court through a walkway. (See Attachment 1).

Engineering Services has developed a program to strategically rehabilitate and/or replace all existing metallic watermain within the City in the next 20 years. The time horizon aligns with the projected end of service life for this infrastructure. The two additional watermain on Margaret Mary Road and within the walkway, have been identified for replacement within this program. However, staff have determined that it is more appropriate to carry out the replacement of these watermain in conjunction with the watermain replacement scheduled on Firglen Ridge. The consolidation of the work into a single project will provide the following advantages:

- Minimized disruption to local residents – by completing all watermain replacement work in a single project will ensure that disruption to local area residents is minimized, as opposed to returning for a second or potentially third time.
- Project cost savings – economies of scale are achieved by including the smaller watermain replacements into one larger contract, in comparison to higher construction costs if they were tendered separately.
- Reduced impact to the pavement – road resurfacing is scheduled on Firglen Ridge following completion of the watermain. If the watermain replacements on Margaret Mary Road and the walkway were deferred, it would require cutting into the new road surface on Firglen Ridge, which will reduce the service life of the roadway.

This proposed supplementary work is proportional to the additional funds required to complete the work and exceeds the approved 2012 Capital Budget.

PROJECT FUNDING POSITION SUMMARY	
CAPITAL PROJECT	EN-1874-12
Approved Budget	\$788,000.00
Less: Exp. and Commitments to Date	(\$ 142.00)
Current Funds Remaining	\$787,858.00
Less: Net Total Cost	\$866,000.00
Budget Shortfall	\$ 78,142.00

The project is not considered to be high in complexity and is of short duration with a well defined scope. Therefore, a typical 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.

Staff have reviewed the submitted bids, checked references and determined that Tedescon Infrastructure Ltd. is deemed qualified to undertake this project. Therefore, it is appropriate to award this contract to the low bidder, Tedescon Infrastructure Ltd.

The engineering estimate for the construction of this project was \$750,000.00, excluding H.S.T.

Relationship to Vaughan Vision 2020/Strategic Plan

In consideration of the strategic priorities related to Vaughan Vision 2020, the recommendations of this report will assist in enhancing and ensuring community safety, health and wellness; priorities previously set by Council. The replacement of the existing watermain will ensure that drinking water quality standards and infrastructure are maintained for the residents of Vaughan.

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Regional Implications

Not Applicable.

Conclusion

Staff recommends that this contract be awarded to Tedescon Infrastructure Ltd. in the amount of \$743,300.00, plus applicable taxes.

Attachments

1. Location Map.

Report prepared by:

John Zanchettin, C.E.T. Senior Engineering Assistant, ext. 8470

Vince Musacchio, P. Eng., PMP, Manager of Capital Planning and Infrastructure, ext. 8311

JZ:mc

(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.)