

COUNCIL – MAY 14, 2013

**BUDGET AMENDMENT AND AWARD OF TENDER T13-080
HUMBER RIVER OPEN SPACE SYSTEM WILLIAM GRANGER GREENWAY TRAIL
IMPROVEMENTS – WARD 2**

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Item #	12
Report No.	19 (cw)
Council - May 14/13	

Recommendation

The Commissioner of Community Services, in consultation with the Directors of Purchasing Services, Legal Services and Budgeting and Financial Planning, recommends:

- 1) That Tender T13-080 for Humber River Open Space System William Granger Greenway Trail Improvements be awarded to Gateman-Milloy Inc. in the amount of \$450,577.34 plus applicable taxes;
- 2) That a budget amendment to increase capital project PK-6098-08 in the amount of \$106,200 be approved with a funding source of Gas Tax;
- 3) That if the budget amendment to capital project PK-6098-08 is approved that the following project costs, plus applicable taxes, be approved:
 - a. That a 15% contingency in the amount of \$67,586.60 be approved, within which Parks Development is authorized to approve amendments to the contract;
 - b. That MNR permit required works tendered as provisional items PR1 and PR2 for habitat enhancement planting and signage be approved and awarded to Gateman-Milloy Inc. in the amount of \$27,060.41; and,
 - c. That geotechnical works for the construction review and testing in the amount of \$4,760 be approved and awarded to the consultant McClymont and Rak.
- 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 T13-080 is deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002; and,
- 5) That the Mayor and City Clerk be authorized to sign the appropriate documentation.

Contribution to Sustainability

This report is consistent with the priorities previously set by Council in the Green Directions Vaughan, Community Sustainability Environmental Master Plan, Goal 2, Objective 2.2:

- To develop Vaughan as a City with maximum green space and an urban form that supports our expected population growth.

Economic Impact

The budget amendment in the amount of \$106,200 is necessary to offset:

- Inflationary impacts on project costs due to extended time lines
- Introduction of the HST component for capital projects
- MNR permit requirements for habitat enhancement, planting and signage
- Contingency costs incorporated into the project cost

Due to the complex nature of this project with MNR, TRCA and York Region, obtaining permits may require additional works. In addition the sensitive nature of these works and the tight timeline

associated with the fisheries window, a fifteen (15) percent contingency is proposed to avoid delays in completing the project.

No annual operating cost would be required for this section of the trail system. An annual operating cost would only be required if the City were to enter into a maintenance agreement for this section of the trail with the Toronto and Region Conservation Authority (TRCA). Currently, the TRCA maintains sections of the trail system that would form part of these works.

Communications Plan

Not Applicable.

Purpose

The purpose of this report is to seek Council approval to award Tender T13-080 – Humber River Open Space System William Granger Greenway Trail Improvements to Gateman-Milloy Inc., to request additional funding for the capital project required to complete the work, and to award the additional project costs as outlined.

Background - Analysis and Options

The project is for the improvement of the existing Humber River William Granger Greenway Trail system, and will include the trail section north of Rutherford Road, in Ward 2.

The project consists of new trail construction including but not limited to: pedestrian granular paving, culvert drainage, armour stone retaining walls, erosion control and two (2) new pedestrian bridges that will allow for a continuous trail route under Rutherford Road. This is a very sensitive project which required approvals and permits from MNR, TRCA and York Region, each with their own special requirements, monitoring and involvement (site inspections) during construction.

Due to the specialized nature of these works nine (9) general contractors were invited to provide bids for Tender T13-080, including the seven (7) prequalified general contractors. The tender closed and was publicly opened on April 30, 2013. Five (5) contractors picked up the tender packages and three (3) bids were received. One was deemed non-compliant by Purchasing Services and two (2) compliant bids were received as follows:

Contractor	Total Base Price (excl. HST)
Gateman-Milloy Inc	\$ 450,577
Mopal Construction Ltd.	\$ 631,862*

* Correction based on Document I Instructions to Bidder Item 7 Checking of Bids Sub item 7.1 item iv.

Based on the tenders received, which would exceed the available funding in the approved capital account, there is a requirement for additional funding. The additional project costs are a result of consulting and inflationary costs due to the extended project timeline that resulted from the onerous requirements and timeline associated with MNR permit approvals, due to the fact that Red Side Dace were up listed by the MNR to Endangered Species in February of 2009. The tender package had been advanced and made ready for TRCA permit submission in the fall of 2009. Based on the TRCA screening process, the concerns regarding the Red Side Dace and necessary MNR approvals and permit requirements had only been raised by the TRCA in January, 2010. The tender package required several reviews and changes due to the new MNR review process and mandatory requirements associated with the Endangered Species Act.

A majority of the required additional funding is attributed to the extensive consulting and revisions process with the MNR. Consulting to date is almost \$40,000 over the original estimated budget with a requirement for an additional \$4,760 + HST for the geotechnical construction testing and inspection works, which is required due to the scope of the geotechnical requirements also changed through the design development process to meet the MNR and TRCA permit requirements. In addition, there were more expenses than originally anticipated due to the unforeseen MNR and TRCA permit fees, the introduction of HST (on non-permitting projects) and inflation pressures associated with the onerous MNR permit approvals.

A total contingency amount of fifteen (15) percent (\$67,586.60) of the bid price is required, and would be covered by the request to increase the account by a total value of \$106,200.00 through Gas Tax funding, and will be used to address any unforeseen work in completing the scope of this project. In addition, the MNR permit required habitat enhancement plantings and signage (as noted in Provisional Items PR1-PR2 in the amount of \$27,060.41). This is recommended to be awarded to Gateman-Milloy Inc in order to complete these required site works. If there are residual funds following the completion of the project, the project account would be recommended for closure and the funds can be returned to the original sources.

T13-080 – HUMBER RIVER OPEN SPACE SYSTEM WILLIAM GRANGER GREENWAY TRAIL		
Financial Summary – Gateman-Milloy Inc.		
Approved Capital Budget (PK-6098-08)		691,000.00
Less: Expenses/ Commitments to Date		220,728.76
Current Funds Remaining		470,271.24
Tender Costs (T13-080)	450,577.34	
Contingency Allowance (15%)	67,586.60	
Tender Costs	518,163.94	
Non Refundable Portion of HST (1.76%)	9,119.69	
Sub-Total	527,283.63	
Administration Recovery (3%)	15,818.51	
Total Tender Costs		543,102.14
Balance Remaining/ (Additional Funds Required)		(72,830.90)
Other Costs		
Geotechnical Consulting	4,760.00	
MNR Permit Required Works PR1 & PR2	27,060.41	
Sub-Total	31,820.41	
Non Refundable Portion of HST (1.76%)	560.04	
Sub-Total	32,380.45	
Administration Recovery (3%)	971.41	
Total Other Costs		(33,351.86)
Balance Remaining/ (Additional Funds Required)		(106,182.76)

Expenses and commitments to date include: landscape architectural consulting fees, engineering, surveying, permits and geotechnical consulting. Parks Development staff have reviewed the submitted bids and confirm that the low bidder meets the requirements of the bid documents. Therefore, it is appropriate to award this contract to Gateman-Milloy Inc.

Relationship to Vaughan Vision 2020 / Strategic Plan

In consideration of the strategic priorities related to Vaughan Vision 2020, the project will provide:

- **STRATEGIC GOAL:**
Service Excellence - Providing service excellence to citizens.
- **STRATEGIC OBJECTIVES:**
Pursue Excellence in Service Delivery; and Enhance and Ensure Community Safety, Health and Wellness - To deliver high quality services and to promote health and wellness through design and program.

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated.

Regional Implications

Not Applicable.

Conclusion

The low bid Contractor is deemed to meet the requirements of the tender. Parks Development and Legal Services staff recommends that this tender be awarded to Gateman-Milloy Inc. in the amount of \$450,577.34 plus provisional items and applicable taxes. In addition, Provisional Items PR1 and PR2 be awarded to Gateman-Milloy Inc. in the amount of \$27,060.41 plus applicable taxes to satisfy the MNR permit requirements.

Attachments

Not Applicable

Report prepared by:

Martin Tavares, Construction Coordinator, Ext. 8882
Melanie Morris, Construction Coordinator, Ext. 8058
Vivien Lee, Landscape Architect, Ext. 8753

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. Kallideen', with a long horizontal flourish extending to the right.

Marlon Kallideen,
Commissioner of Community Services