



SUBJECT: Tender Award – Belvenia Road, Lomond Crescent and Ayr Place Reconstruction

TO: Environment, Infrastructure & Community Services Cttee.

FROM: Capital Works Department

Report Number: CW-07-20

Wards Affected: 4

File Numbers: 570.02-926

Date to Committee: April 6, 2020

Date to Council: April 20, 2020

Recommendation:

Award the tender for contract CW-20-02, Belvenia Road, Lomond Crescent and Ayr Place Reconstruction to DESO Construction Limited, 135 Highway 56, Caledonia, ON, for \$4,516,610.00 including HST, subject to the approval of Halton Region; and

Authorize the Mayor and City Clerk to sign any required agreements with the bidder named above, subject to the satisfaction of the City Solicitor; and

Approve the total cost of \$4,644,075 (Net HST) to be charged to Capital Order RL0327 and funded as follows;

Infrastructure Renewal Reserve Fund	\$542,850
Federal Gas Tax	\$1,284,176
City of Burlington Funding	\$1,827,026
Halton Region	\$2,817,049
Total Project Financing	\$4,644,075

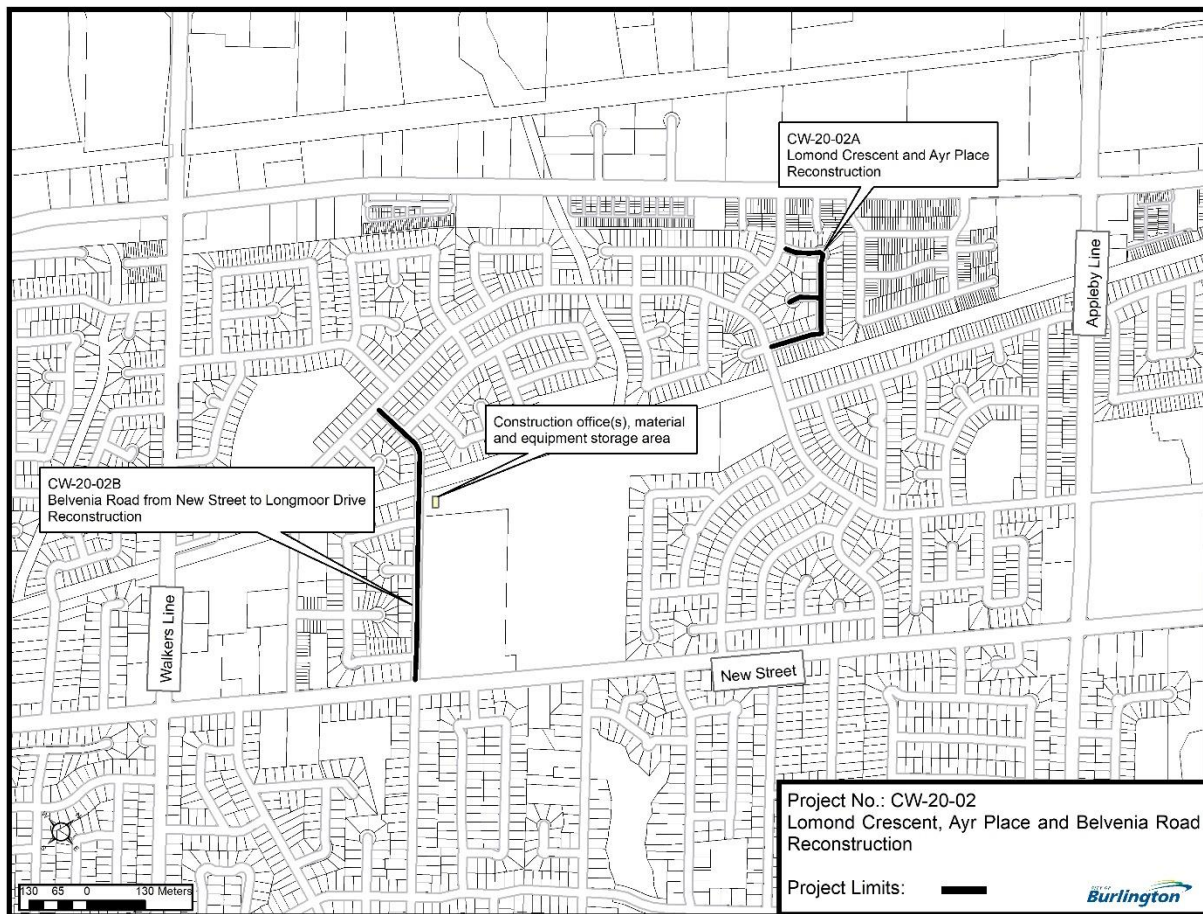
PURPOSE:

Vision to Focus Alignment:

- Support sustainable infrastructure and a resilient environment

Background and Discussion:

Project Location:



Proposed Works:

This project includes for the following works:

Lomond Crescent	Watermain, curb and asphalt replacement with minor storm repairs.
Ayr Place	Wastewater main, watermain, curb and asphalt replacement with storm sewer replacement.
Belvenia Road New Street to Longmoor Drive	Watermain, curb and asphalt replacement with minor storm repairs.

Road Closures and Lane Restrictions:

The project will have full road closures for the watermain and sanitary sewer installation. Access for residents will be maintained.

For Belvenia Road, in the proximity of Nelson High School, works will be undertaken during July and August to reduce impact on school users.

Construction Schedule:

All works, except for the top layer of asphalt, will be completed between May to December 2020. Final layer of asphalt will be placed in July 2021.

Procurement Information:

This tender was part of the general contractor prequalification. Twenty-three general contractors were prequalified to bid this work.

Advertised / Issue Date:	January 28, 2020
Advertised Method(s):	<input type="checkbox"/> OPBA <input checked="" type="checkbox"/> bids&tenders <input type="checkbox"/> Construction Association <input type="checkbox"/> Other (specify)
Closing Date:	February 13, 2020
Number of Bids Received:	4
Total Number of Compliant bids:	4

Bid Results

The contract is awarded to the lowest compliant bidder.

No.	Name of Company	Total Bid including HST
1	DESO Construction Limited	\$4,516,610.00
2	King Paving & Construction Company	\$4,961,579.14
3	New Alliance Ltd.	\$6,454,857.19
4	Coco Paving Inc.	\$6,729,645.51

Financial Matters:

Estimated Project Cost

The following table presents a summary of the estimated project costs:

CONTRACTED CONSTRUCTION	PROJECT BUDGET	TENDER AWARD
- Contracted Construction – City	1,450,840	1,985,014
- Contracted Construction – Halton Region (Note 1)	-	2,011,986
- HST (1.76%)	25,535	70,347
Subtotal Contracted Construction (Net HST)	\$1,476,375	\$4,067,347
Construction Contingency	111,125	198,501
Asphalt Cement Adjustment	16,000	15,990
Total Contracted Construction	\$1,603,500	\$4,281,839
INTERENAL COSTS		
- Administration (* Includes Halton Region admin fee)	41,000	96,721 *
- Design Services	90,000	89,884
- Inspection	68,000	68,450
- Other	15,000	14,680
Total Internal Costs	\$214,000	\$269,736
EXTERNAL COSTS		
- Consulting Fees (*Includes Halton Region fees)	28,000	60,000 *
- Tender & Advertising Costs	5,000	12,500
- Other including utilities	14,000	20,000
Total External Costs	\$47,000	\$92,500
TOTAL PROJECT COSTS (ROUNDED)	\$1,864,500	\$4,644,075
TOTAL PROJECT FINANCING		
- Region of Halton – Belvenia Rd. (RL0326)	174,500	1,595,101
- Region of Halton – Lomond Cr. & Ayr Pl. (RL0327)	139,000	1,221,947
-	Note 2	Note 3
Total Recovery	\$313,500	\$2,817,026
City Funding Required	\$1,551,000	\$1,827,026

Note 1: Halton Region watermain and wastewater main construction is included in the tender. Halton Region share of city roadworks is identified as the External Recovery in the City's Capital Budget. Watermain and wastewater main are budgeted for in Halton's Capital Budget only.

Note 2: Halton Region share of city roadworks is identified as the External Recovery in the City's Capital Budget.

Note 3: Halton Region share of city roadworks, watermain and wastewater main works.

Total Financial Impact

The total capital budget approved for the city component is \$1,551,000. The total City costs for this project at tender award is now estimated to be \$1,827,026 for an overage of \$276,026. This project is over budget due to higher than anticipated unit rates.

The additional funding will be provided from the Federal Gas Tax available from savings from the 2019 Capital Projects.

Source of Funding

The following table presents a summary of the City project funding:

	PROJECT BUDGET	TENDER AWARD
City Funding Sources (to be amalgamated in RL0327)		
Belvina Road (RL0326)		
- IRRF	231,350	231,350
- GASTAX	429,650	429,650
Lomond Crescent and Ayr Place (RL0327)		
- IRRF	311,500	311,500
- GASTAX	578,500	578,500
Additional Funding – GASTAX		276,026
Total City Funding Sources	\$1,551,000	\$1,827,026
TOTAL FUNDING	\$1,551,000	\$1,827,026

Other Resource Impacts

Not applicable.

Climate Implications

City Staff specify the use of recycled materials throughout the contract to reduce the amount of waste generated through the renewal and replacement of City roadways. Staff continue to strive to plant trees wherever feasible within the capital project in order to improve our urban canopy.

A Consulting arborist was retained to complete a preconstruction review of the existing street trees and provide recommendations to minimize construction damage to the trees. The consulting arborist will be on site completing tree audits during construction.

Three (3) trees on Ayr Place and one (1) tree on Belvenia Road are at risk of being significantly affected during construction and may require removal. Trees removed will be replaced on a minimum of a 1:1 basis where site conditions allow.

The City Arborist has been consulted and involved with all the tree decisions.

Engagement Matters:

A Public Information Meeting was held on Wednesday December 4, 2019 at Robert Bateman High School.

Area residents and impacted school boards were notified by:

- Direct mail, and
- Advertisement in the Burlington Post.

The meeting provided

- Construction Plans
- Construction Schedule
- An open forum for resident questions.

The plans were generally well received with only some property specific concerns.

Upon award of this contract, letters will be delivered to affected homes prior to the beginning of construction. As construction progresses, project updates will be delivered to affected residents on a regular basis. The project updates and associated road closure information will also be made available on the City's website.

Conclusion:

Staff are recommending that tender CW-20-02, Belvenia Road, Lomond Crescent and Ayr Place be awarded to DESO Construction Limited.

Respectfully submitted,

Bob Jurk, CET

Senior Project Manager

905-335-7600 ext. 7682

Notifications:

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Report Approval:

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Council. Final approval is by the City Manager.