

Staff Report 2019-45

Meeting Date: Tuesday, March 19, 2019

Subject: Castleberg Sideroad Reconstruction Contract Award

Submitted By: Ian Todhunter, Project Manager, Structures, Finance & Infrastructure Services

RECOMMENDATION

That Contract No. 2019-06 be awarded to Pave-AI Limited in the amount of \$2,842,624.54 (inclusive of non-recoverable H.S.T.) funded from Capital Project 18-059 – Growth-Related Roads Program, as detailed in Table 3 of report 2019-45; and

That the Mayor and Clerk be authorized to execute a contract with Pave-AI Limited for the completion of the work.

REPORT HIGHLIGHTS

- Pave-AI Limited submitted the lowest compliant bid and is being recommended for the award of Contract No. 2019-06 for the reconstruction of Castleberg Sideroad, from The Gore Road to Duffys Lane.
- Construction is to commence May 6, 2019 and is anticipated to be completed by October, 2019.
- The project will be completed in two phases:
 - Phase 1 – from The Gore Road to Humber Station Road;
 - Phase 2 – from Humber Station Road to Duffys Lane
- Prior to the commencement of Phase 2, the placement of base asphalt for Phase 1 should be fully complete with temporary line painting.

DISCUSSION

Staff is seeking Council's approval to award Contract No. 2019-06 to Pave-AI Limited in the amount of \$2,842,624.54 for the roadworks identified in Table 1 of this report.

Tender No. 2019-06 includes road reconstruction works that are included in the approved Capital Project 18-059.

The reconstruction of the Town's road network will address existing deficiencies and prolong the life of roads by addressing the fundamental structural and drainage defects in the pavement and road base. Reconstruction efforts will also improve the ride quality and increase the expected lifespan of the pavement thus providing a safer and higher standard road network to the residents of Caledon.

The locations of the proposed reconstruction work included in Contract No. 2019-06 are listed below in Table 1 and shown on Schedule 1 – Construction Maps (attached to this report).

Table 1

2019 Capital Reconstruction Program				
Phase	Road	From	To	Activity
<u>Project 18-059</u>				
1	Castleberg Sideroad	The Gore Road	Humber Station Road	Full Depth Asphalt Removal and Replacement, Partial Curb & Gutter Placement, Driveway and Centreline Culvert Replacement
2	Castleberg Sideroad	Humber Station Road	Duffys Lane	Full Depth Asphalt Removal and Replacement, Partial Curb & Gutter Placement, Driveway and Centreline Culvert Replacement

Prior to the commencement of Phase 2, the placement of base asphalt for Phase 1 should be fully complete with temporary line painting and to the satisfaction of the contract administrator.

Tender Process

The Purchasing & Risk Management Division publicly advertised Request for Tender 2019-06 Castleberg Sideroad Reconstruction on BidsandTenders.com.

Bids were invited from qualified and experienced contractors for undertaking reconstruction and improvements of various roads located within the Town as per the specifications and requirements outlined in the bid document, based on Ontario Provincial Standard Specification (OPSS) contract. Work includes the supply of all labour, materials, equipment, certifications, permits, services, transportation and all incidentals required for the improvements of Castleberg Sideroad from The Gore Road to Duffys Lane.

A total of seven (7) bids were received and reviewed on March 5, 2019. Table 2 below summarizes the results.

Tender Results

Table 2

BIDDER	TOTAL BID (*)
Pave-AI Limited	\$2,842,624.54
614128 Ontario Ltd o/a Trisan Construction	\$3,025,635.68
Fermar Paving Limited	\$3,032,503.43
Graham Bros. Construction Limited	\$3,100,660.66
Ipac Paving Limited	\$3,181,428.69
Gazzola Paving Limited	\$3,228,393.20
Aecon Construction and Materials Limited	\$4,188,305.24

*** - Bid prices include non-refundable H.S.T. amount**

Purchasing & Risk Management and Engineering staff reviewed the bids in accordance with the Town of Caledon Purchasing Policy. Staff is recommending that Pave-AI Limited be awarded Contract No. 2019-06.

It is anticipated that construction will commence May 6, 2019 and that the works are anticipated to be substantially completed by October, 2019.

Benefits of Approval

Recycling Techniques and Process to Reduce the Use of New Aggregate

Under this contract, approximately 244 tonnes of Reclaimed Asphalt Pavement (RAP) will be used in the new Hot Mix Asphalt (HL-3), and 547 tonnes of RAP will be used in the new Hot Mix Asphalt (HL-8), replacing an equivalent amount of asphalt pavement that would have been made from virgin aggregates and new asphalt cement.

FINANCIAL IMPLICATIONS

The total cost of the award to Pave-AI Limited for the roads listed in Table 3 total \$2,842,624.54 including non-recoverable HST. Funding for this award will be applied from Capital Project 18-059 Growth-related Roads Program in the amount of \$2,842,624.54 funded \$426,393.68 from Taxes and \$2,416,230.86 Development Charges.

Although the contract award is within the budget remaining for this project, a full contingency and recovery of project management fees results in the project exceeding budget, in capital project 18-059, by \$155,511. The Town's delegated authority by-law (Schedule D to BL-2016-106) delegates authority to the Treasurer to "make technical adjustments to the annual approved capital and operating budget based on business needs and good accounting practices". The below technical adjustment to the approved capital budget was made following concurrence from the Chief Administrative Officer and General Manager, Finance & Infrastructure Services that the adjustment makes good business sense, and following Finance's confirmation of budget (remaining budget) information.

Engineering staff has confirmed that there has been no increase in the scope to the capital project and the shortfall is due to market prices, the requirement for a contingency and to recover project management fees. The shortfall of \$155,511 was funded by a transfer from Capital Project 17-101 Growth Related Roads Program following approval in accordance with the delegated authority by-law.

Table 3, below, outlines the financials related to this award and project (including the technical adjustment that transferred \$155,511 from a similar capital project, 17-101):

Table 3

Project 18-059 Growth-related Roads Program		
Original Budget Available	\$	6,204,800
Plus: Budget transfer from Capital Project 17-101 Growth Related Roads Program	\$	155,511
Less: Commitments to Date		
Less: Work Not Related to This Award	\$	3,202,400
Total Budget Available For Contract Award	\$	3,157,911 (A)
Less Cost Estimate:		
Award of Construction Contract (Inclusive of Non-recoverable HST)	\$	(2,842,625)
Contingency	\$	(284,262)
Estimated Project Management Fee	\$	(31,024)
Sub-Total Construction Cost	\$	(3,157,911) (B)
Budget Surplus/(Deficit)	\$	0 (A) - (B)

Applicable Legislation and Requirements

Town of Caledon Purchasing By-law No. BL-2013-107, section 19 (1a) states that "All Awards over \$2,000,000.00 (Two Million Dollars) require Council approval prior to any Commitment"

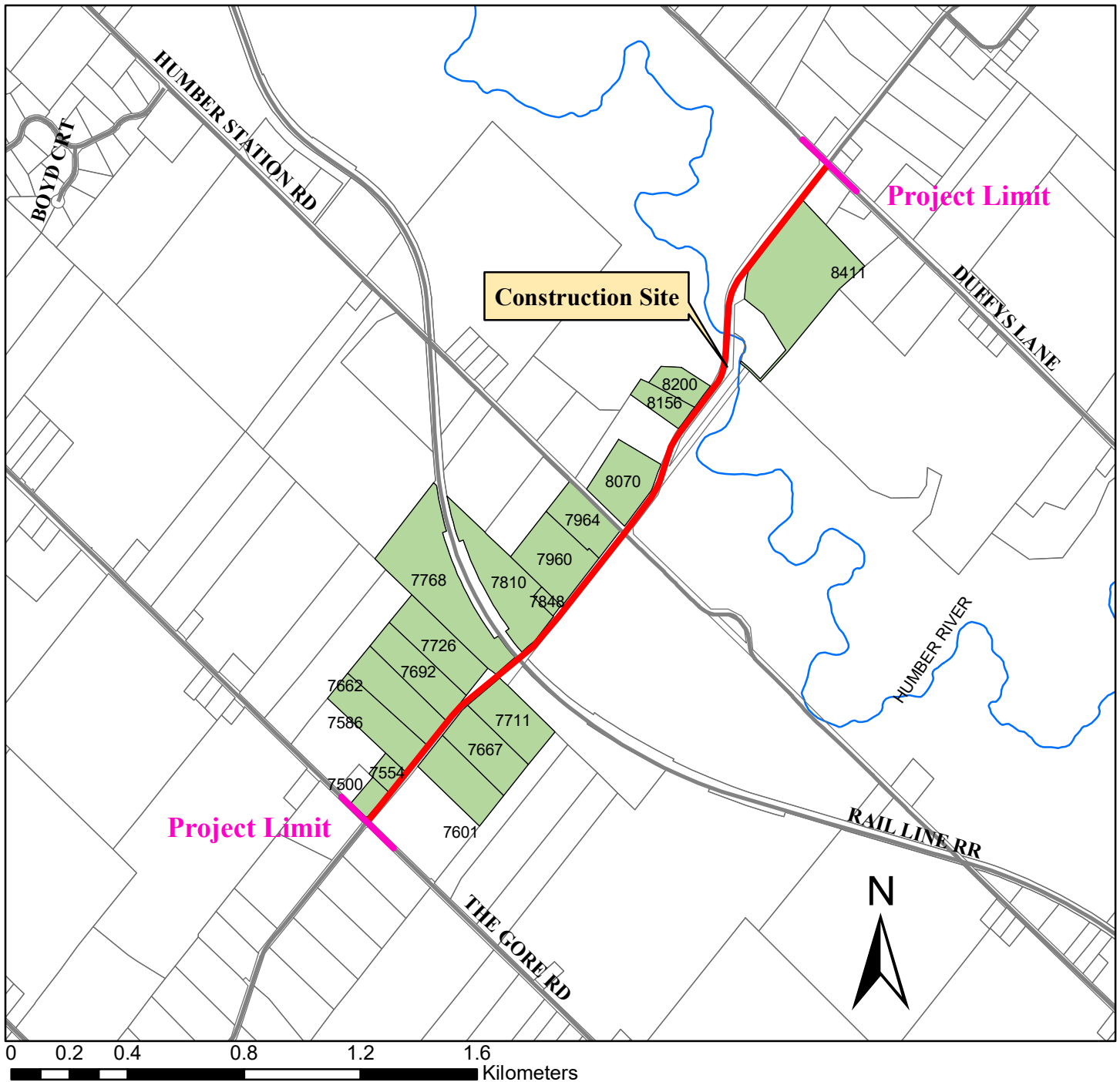
COUNCIL WORK PLAN

Infrastructure – To increase the overall condition of the Town's assets for public use

ATTACHMENTS

Schedule A – Construction Map

Castlelderg Sideroad Construction 2019



Project Name: Castlelderg Sideroad Construction

Project No. RFP 2016-029

Start Date: April 6, 2019

End Date: October 4, 2019

Last Emergency Address Eastbound: 7500 Castlelderg Sideroad
Last Emergency Address Westbound: 8411 Castlelderg Sideroad

