

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON FEBRUARY 21, 2017
FROM:	KELLY SCHERR, P. ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	CONTRACT AWARD: TENDER NO. T16-117 FOX HOLLOW STORMWATER MANAGEMENT FACILITY #3 (ES3020-FH3) AND TRUNK SANITARY SEWER (ES5236-16) CONSTRUCTION PHASE 2

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to the award of contract for the Phase 2 of the Fox Hollow Stormwater Management Facility #3 and Trunk Sanitary Sewer project:

- (a) the bid submitted by J-AAR Excavating Limited, at its tendered price of \$4,063,057.20, excluding HST, **BE ACCEPTED**; it being noted that the bid submitted by J-AAR Excavating Limited, was the lowest of four (4) bids received and is confirmed by Stantec Consulting Limited to be fully compliant with the project specifications outlined within the tender documents;
- (b) the financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A";
- (c) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project;
- (d) the approval given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract or issuing a purchase order for the material to be supplied and the work to be done relating to this project (Tender No. T16-117); and
- (e) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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CWC – November 29, 2016 - Appointment of Consulting Engineer for Detailed Design of the Fox Hollow SWM Facility No. 3 (ES3020-FH3) and Trunk Sanitary Sewer (ES5236-16)

CWC – July 18, 2016 - Appointment of Consulting Engineer for Detailed Design of the Fox Hollow SWM Facility No. 3 (ES3020-FH3) and Trunk Sanitary Sewer (ES5236-16)

CWC – March 23, 2015 - Appointment of Consulting Engineer for Detailed Design and Contract Administration for the Construction of the Fox Hollow SWM Facility No. 3 (ES3020-FH3)

CSC – August 26, 2013 - Statement of Development Charge Reserve Fund Activity – City Services Reserve Funds for the 2013 Year

CWC – November 12, 2012 – Fox Hollow Development Area Stormwater Management Facilities Nos. 1 and 3

CWC – June 19, 2012 – Phasing of Stormwater Management Facilities

BACKGROUND

Purpose:

This report recommends award of a tender to a contractor for the construction of: Fox Hollow SWM Facility #3 and Trunk Sanitary Sewer Phase 2.

Discussion:

The Fox Hollow Community Area is located within the “Medway Creek Subwatershed”. This area of approximately 365 hectares is bounded by Sunningdale Road to the north, Wonderland Road to the east, Fanshawe Park Road to the south and Hyde Park Road to the west. In addition, some external lands north of Sunningdale Road beyond the Urban Growth Boundary are a part of this catchment area.

In May 2010, the City engaged Stantec Consulting Ltd. for the functional and detailed design of stormwater servicing and sanitary servicing works for the Fox Hollow development area in accordance with the addendum to the Fox Hollow Development Area Municipal Class Environmental Assessment (EA Addendum) for Storm/Drainage, SWM and Sanitary Servicing works finalized in July 2010.

Construction of the Fox Hollow Development Area SWM Facility No. 3 will be the fourth municipally built component of the Fox Hollow Community Area SWM System and will allow for approximately 146.3 ha of land to be developed including, approximately 1204 units (561 single family and 643 medium density units). Storm flows from these areas will be captured by the SWM Facility and conveyed by a channel to the Heard Drain, providing water quality, erosion, and peak flow attenuation to protect the downstream Medway Creek system.

A new trunk sanitary sewer alignment has been proposed adjacent to the channel and SWM Facility as an alternative to routing the sanitary sewer through internal subdivision streets where it would be considerably deeper (up to 8 meters). This sewer linkage represents an extension to trunk sanitary sewers previously constructed through the Fox Hollow Development Area.

As outlined in previous reports this project has been broken into two parts. A pregrading contract was administratively awarded in December 2016 to RM Construction. The tender price for this contract was approximately \$1.6M (ES3020-FH3).

Management of the Capital Budget and GMIS

To complete the construction of the Fox Hollow SWMF #3, the City hired an engineering consultant to undertake the design of the facility. The consultant hired, developed a design that proposed a \$10.9M stormwater management facility. Following a peer review, City engineering staff determined that the design was in excess of what was functionally required, and re-assigned the work to Stantec Consulting resulting in a new pre-tender estimate of \$6.2M as of approximately June 2016.

This project was originally identified in the 2009 Development Charges (DC) Background study at an estimated \$5.8M. The funds for this SWMF were committed prior to the completion of the 2014 DC Background Study and are 100% attributed to growth. During the 2017 Capital Budget development, the final revised cost estimate of the facility was unknown. As a result, the capital budget was not adjusted at that time.

Environmental and Engineering Services and Finance staff did take the potential cost into account through the 2017 GMIS process and considered an increased DC reserve fund draw based on high level estimates provided during the peer review. In an effort to recognize the final revised estimate from Stantec, the Civic Works Committee Reports dated July 18th, 2016 and November 29th, 2016 identified that there would be approximately \$2.2M of budget increase for the construction works.

Tender Summary:

Tenders for the Fox Hollow SWM Facility #3 and Trunk Sanitary sewer were opened on January 18th, 2017. Four (4) contractors submitted tender prices as listed below, excluding HST.

CONTRACTOR		TENDER PRICE SUBMITTED	CORRECTED TENDER PRICE
1.	Blue-Con Construction	\$5,448,519.70	N/A
2.	Bre-Ex Construction Inc	\$5,391,420.07	N/A
3.	DeKay Construction (1987) Ltd.	\$4,898,542.15	\$4,898,553.10
4.	J-AAR Excavating Limited	\$4,374,517.20	\$4,063,057.20

All tenders have been checked by the Environmental and Engineering Services Department and the City's consultant, Stantec Consulting Ltd. Two of the submitted tenders were found to contain mathematical errors; however the order of the bidders remains.

The tender estimate provided prior to tender opening was \$5,467,729.50, including a \$600,000 contingency, and excluding HST. The low tender is 35% below the estimate indicating a competitive environment.

Consulting Services:

Construction administration and monitoring for this project has been previously approved within the November 29, 2016 CWC report for Stantec Consulting Ltd.

Conclusions:

Award of the contract for Phase 2 construction of Fox Hollow Stormwater Management Facility #3 and trunk sanitary sewer to J-AAR Excavating Limited will allow the project to proceed to completion.

Acknowledgements:

This report was prepared within the Stormwater Engineering Division by Chris McIntosh, P. Eng., Environmental Services Engineer.

SUBMITTED BY:	REVIEWED AND CONCURRED BY:
SHAWNA CHAMBERS, P. ENG. ACTING DIVISION MANAGER STORMWATER ENGINEERING	TOM COPELAND, P. ENG. DIVISION MANAGER WASTEWATER AND DRAINAGE ENGINEERING
REVIEWED AND CONCURRED BY:	RECOMMENDED BY:
JOHN LUCAS, P.ENG. DIRECTOR, WATER AND WASTEWATER ENGINEERING	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR ENVIRONMENTAL SERVICES AND CITY ENGINEER

February 1, 2017

Attach: Appendix "A" – Sources of Financing
Appendix "B" – Project Location Map