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TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MAY 29, 2012
FROM:	JOHN BRAAM, P. Eng. ACTING EXECUTIVE DIRECTOR, PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	CONTRACT AWARD: TENDER NO. 12-37 2012 INFRASTRUCTURE LIFECYCLE RENEWAL PROGRAM THIRD STREET RECONSTRUCTION

RECOMMENDATION

That, on the recommendation of the Acting Executive Director, Planning, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to the award of contract for the 2012 Lifecycle Renewal Program, Third Street Reconstruction Project (ES2414-11, EW3765-12, TS3014-12 & TS3037-12).

- (a) the bid submitted by L82 Construction Ltd., 2070 Huron Street, Suite A, London ON, N5V 5A7, at its tendered price of \$1,216,551.95 (excluding H.S.T.), for the 2012 Infrastructure Lifecycle Renewal Program, Third Street project, **BE ACCEPTED**; it being pointed out that the bid submitted by L82 Construction Ltd. was the lowest of seven bids received and meets the City's specifications and requirements in all areas;
- (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 12-37); and
- (e) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

BACKGROUND

Purpose:

This report recommends award of tender to a contractor for the reconstruction of Third Street from Oxford Street to Culver Drive.

This work includes the construction of 530 meters of new storm sewers and the construction of new curb and gutter, sidewalk and asphalt road. In addition, works also include the localized repair of existing sanitary sewers, watermain and water services. Infrastructure replacement needs have been coordinated with Wastewater and Drainage Engineering (WADE), Water Engineering, and Construction Administration for efficient use of funds during construction.

Discussion:

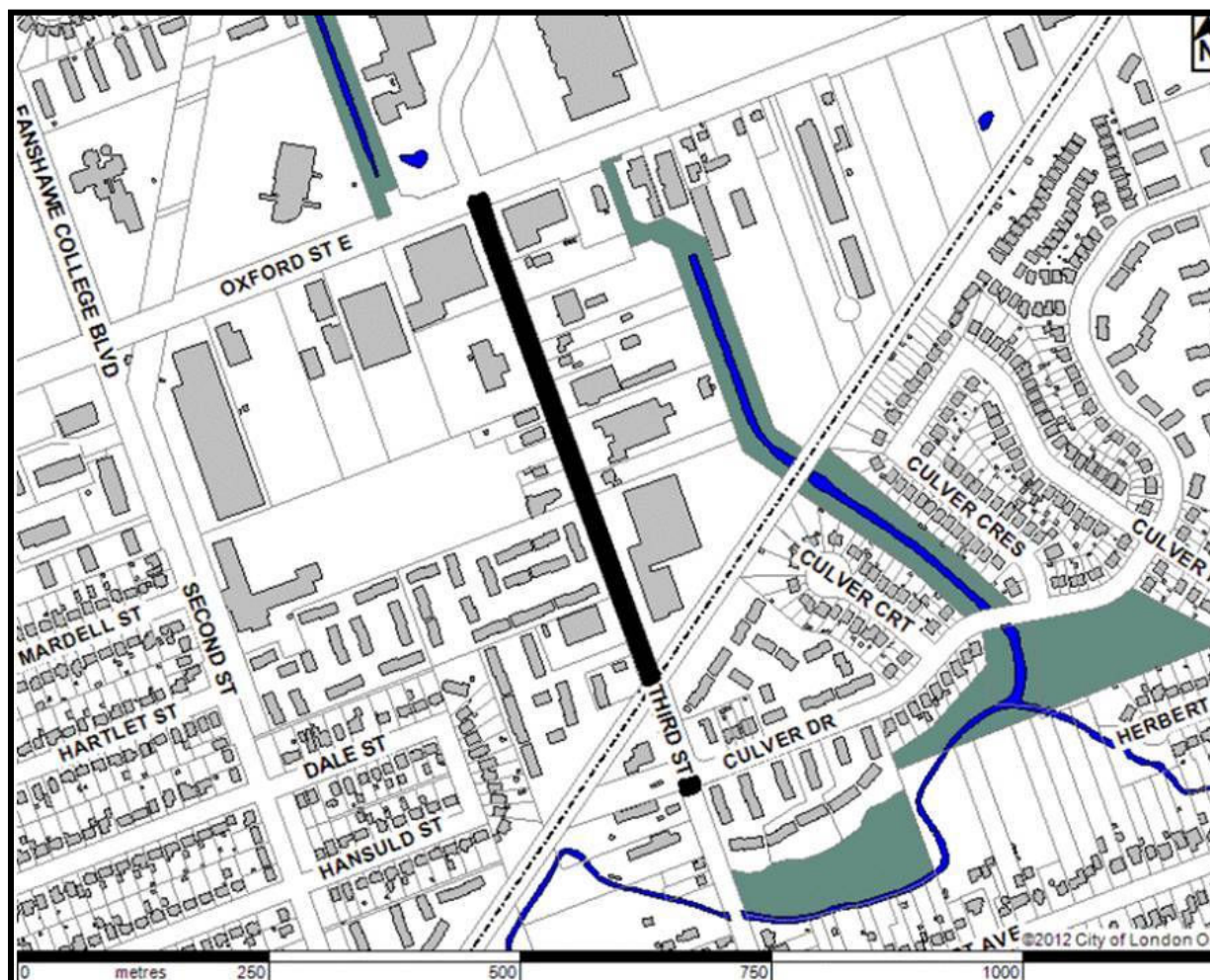
The reconstruction of Third Street is included in the approved 2012 Wastewater & Treatment, Water, and General Capital Works Budgets. This street has been identified as a high priority in the program due to the poor condition of the municipal infrastructure. No storm sewer infrastructure currently exist within the limits of this project.

This project provides for the construction of a new storm sewer, curbs and catch basins to provide increased surface flooding protection for the neighborhood, noting that surface flooding can be a contributing factor in basement flooding. With the exception of the localized repair of existing sanitary sewers, watermain and water services, we do not intend to replace the existing sanitary and water mainlines as recent investigations into their condition have shown much of this existing infrastructure is performing well. Records indicate the sanitary sewer and ductile iron watermain was constructed in 1958 and 1982, respectively.

A public information session was held in March 7, 2012 specifically for all owners and residents within and immediately bordering the project area to address questions and concerns.

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A project location map is included below for reference.



In conjunction with the construction of this capital works project, the City is administering the private drain connection (PDC) program which allows property owners within the projects limits, an opportunity to voluntarily replace their PDC's at a subsidized cost under the authority of City by-laws. Similarly the lead replacement program is also covered by City by-laws. As part of this project, the non-standard water service connection will be replaced to property line at the City's cost and the property owner may elect to replace their private side connection at their cost.

Tender Summary:

Tenders for the 2012 Infrastructure Lifecycle Renewal Program, Third Street contract were opened on May 2, 2012. Seven (7) contractors submitted tender prices as listed below (exclusive of H.S.T.).

	CONTRACTOR	TENDER PRICE SUBMITTED	CORRECTED TENDER PRICE
1.	L-82 Construction Limited	\$1,216,551.33	
2.	Bre-Ex Limited	\$1,241,697.27	
3.	PLS Landscaping	\$1,247,036.60	
4.	C.H. Excavating	\$1,295,066.21	
5.	J-AAR Excavating	\$1,326,598.49	\$1,326,599.33
6.	Blue-Con Construction	\$1,364,651.28	
7.	291 Construction	\$1,407,150.71	

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All tenders have been checked by City staff. One (1) of the tender bids contained mathematical errors. The corrected amounts had no effect on the ranking of the tenders.

The tender estimate just prior to tender opening was \$ 1,387,000 (excluding H.S.T.). The low tender is about 12% below the estimate indicating a very competitive environment and illustrates the benefit of tendering projects early in the construction season. All tenders include a contingency allowance of \$150,000.00 (excluding H.S.T.).

Construction Administration Services:

This project was designed by the City's Construction Administration Division with support from the Water Engineering and Wastewater and Drainage Engineering (WADE) Divisions. The City's Construction Administration Division tendered and will carry out the contract administration and resident supervision for this project.

Conclusions:

Award of the construction contract to L82 Construction will allow the project objectives to be met within the available budget.

Acknowledgements:

This report was prepared within the Construction Administration Division by Ted Koza, Environmental Services Engineer.

SUBMITTED BY:	RECOMMENDED BY:
JUSTIN LAWRENCE, P. ENG. DIVISION MANAGER CONSTRUCTION ADMINISTRATION PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES	JOHN BRAAM, P.ENG. ACTING EXECUTIVE DIRECTOR, PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER

Attach: Appendix "A" – Sources of Financing

c. L82 Construction