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TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON JULY 17, 2012
FROM:	JOHN BRAAM, P. ENG ACTING EXECUTIVE DIRECTOR, PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES DEPARTMENT & CITY ENGINEER
SUBJECT	CONTRACT AWARD FOR OXFORD STREET WEST AND WESTDEL BOURNE INTERSECTION IMPROVEMENTS TENDER 12-72

RECOMMENDATION

That on the recommendation of the Acting Executive Director, Planning & Environmental and Engineering Services Department & City Engineer, the following actions **BE TAKEN** with respect to the award of a contract for the Oxford Street West and Westdel Bourne Intersection Improvements Project (TS1650-11):

- (a) the bid submitted by Omega Contractors Inc. 4104 Breck Ave, London, Ontario N6L 1B5, at its tendered price of \$833,658.05 (excluding H.S.T.), for the Oxford Street West and Westdel Bourne Intersection Improvements Project, **BE ACCEPTED**, it being noted that this bid was the lowest of nine (9) bids received and meets the City's specifications and requirements in all areas.
- (b) future additional annual operating costs of \$3,200.00 **BE RECOGNIZED** as a first priority commitment from available assessment growth in 2013 subject to final budget approval;
- (c) the financing for this project **BE APPROVED** as set out in the Source of Financing Report attached hereto as Appendix 'A';
- (d) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project;
- (e) 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 12-72); and
- (f) 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 provides an evaluation of bids received and recommendations on the award of a construction contract for the Oxford Street West and Westdel Bourne Intersection Improvements Project in the City of London.

Discussion:

The subject intersection is located in the northwest end of the City of London. The Average Annual Daily Traffic (AADT) using Oxford Street West at Westdel Bourne is currently 14,000 vehicles. Traffic signals are warranted at this location based on the Ontario Traffic Manual and City Policy.

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The safety concerns addressed by this signal installation are significant due to its high speed semi-rural location, where collision severities tend to be higher. The project will also increase the capacity of the intersection through the implementation of auxiliary lanes leading to an increase in service level as well.

This project is being coordinated to the extent possible with the City's Tributary C Storm Water Management Environmental Assessment (SWM EA) and potential drainage infrastructure within the intersection. Given the safety concerns at this location, there is a need to proceed with the project and implement improvements in 2012, notwithstanding the uncertainty with the completion date for the SWM EA. This contract will not implement any drainage improvements that will be subject to the SWM EA, and staff has obtained approval from the Ministry of Environment to proceed with the construction of the traffic signal project.

The recommended work program includes:

- Introduction of traffic signals at the intersection;
- Installation of left-turn lanes on Oxford Street West; and,
- Intersection streetlighting.

It is also proposed through a separate report to Civic Works Committee, to reduce the speed limit from 80 km/hr to 70 km/hr in the area of the intersection.

The construction contract will introduce traffic delays through the site. However, a minimum of one lane of traffic in each direction will be maintained for traffic for the duration of the work (approximately 10 weeks). The speed limit during construction will be reduced to 60km/hr to enhance the safety of workers. The construction staging has been established to complete the work in the shortest duration possible while keeping the road open. Notification letters regarding this project were sent to the surrounding neighbours in May, 2012. Once the contract is awarded, a follow up letter will be mailed out. The letter will advise the home owners/businesses in the area that this project is moving forward to its construction phase.

Tender Summary:

Tenders for the Oxford Street West and Westdel Bourne Intersection Improvements Project (T12-72) were opened on June 13th, 2012. Nine (9) contractors submitted tender prices as listed below (exclusive of H.S.T.).

	CONTRACTORS	CONTRACT PRICE (SUBMITTED)	CORRECTED CONTRACT PRICE
1.	Omega Contractors Inc.	\$833,658.05	--
2.	Bre-Ex Ltd.	\$851,814.05	859,350.05
3.	Van Bree Drainage and Bulldozing Limited	\$880,121.00	--
4.	J-AAR Excavating Ltd.	\$880,924.25	--
5.	L82 Construction Ltd.	\$899,837.31	--
6.	Blue-Con Construction	\$903,415.83	--
7.	Tri-con Excavating Inc.	\$926,996.50	--
8.	Dufferin Construction Company	\$949,989.40	--
9.	Birnam Excavating Ltd.	\$977,817.32	--

All tenders have been checked by the Transportation Planning and Design Division, Planning, Environmental and Engineering Services Department, and Stantec Consulting Ltd. The review revealed that one (1) tender, submitted by Bre-Ex Ltd. contained a mathematical error as noted above.

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The tender estimate just prior to tender opening was \$1,055,515.50 (exclusive of H.S.T.). Therefore, the tendering results are favorable to the City compared to the engineer's estimate. The engineer's estimate was based on prior records for similar work. In summary, all of the tenders received were within the estimate provided and funding is available from the Transportation Capital Works budget. All tenders include a contingency allowance of \$100,000.00 (exclusive of H.S.T.).

The project engineering consultant, Stantec Consulting Ltd., recommends that the contract for the Oxford Street West and Westdel Bourne Intersection Improvements Project be awarded to Omega Contractors Inc. based on the review of the tenders submitted and contractors' references.

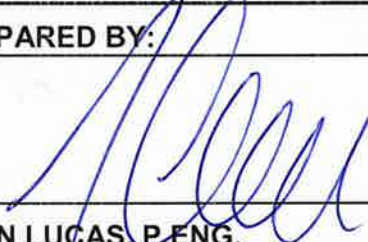
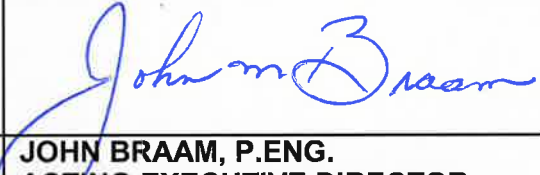
Anticipated additional annual operating costs to the Planning, Environmental and Engineering Services Department budget in 2013 and subsequent years associated with the approval of this project is \$3,200.

Conclusion:

Award of this contract will achieve the project objectives within the available budget. Therefore, it is recommended that Omega Contractors Inc. be awarded the contract for the Oxford Street West and Westdel Bourne Intersection Improvements contract.

Acknowledgements:

This report was prepared by a team within the Planning, Environmental and Engineering Services Department comprising of Max Kireev, Technologist II and Doug MacRae, Transportation Design Engineer of the Transportation Planning and Design Division.

PREPARED BY:	RECOMMENDED BY:
	
JOHN LUCAS, P.ENG. DIVISION MANAGER TRANSPORTATION PLANNING & DESIGN DIVISION	JOHN BRAAM, P.ENG. ACTING EXECUTIVE DIRECTOR, PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER

June 19, 2012
DWM/MSK

Attachment: Appendix 'A' – Source of Financing

- cc
- Pat Shack, Finance/ Planning, Environmental & Engineering Services
 - Stantec Consulting Ltd., 800-171 Queens Avenue , London, Ontario, N6A 5J7
 - Omega Contractors Inc., 4104 Breck Ave, London ON, N6L 1B5
 - Bre-Ex Limited, 247 Exeter Road, London, Ontario, N6L 1A5
 - Van Bree Drainage and Bulldozing Limited 7074 Nauvoo Road, Warwick Township, Ontario N0N 1J4
 - J-AAR Excavating Ltd., 31 Exeter Road, London, Ontario, N6L 1B6
 - L82 Construction Ltd. 2070 Huron St., Suite A, London, Ontario, N5V 5A7
 - Blue-Con Construction 1915 Crumlin Sideroad, London, Ontario
 - Tri – Con Excavating Inc. 113-4023 Meadowbrook Dr., London, Ontario, N6L 1E7
 - Dufferin Construction Company P.O Box 189, London, Ontario
 - Birnam Excavating Ltd. 7046 Nauvoo Road, Warwick Township, London, Ontario, N0N 1J4

APPENDIX 'A'

#12107

Chair and Members
Civic Works Committee

July 6, 2012
(Award Contract)

**RE: Oxford Street West and Westdel Bourne Intersection Improvements
Capital Project TS1650-11 - 2011 Minor Roadworks on Arterials
Omega Contractors Inc. - \$833,658.05 (excluding H.S.T.)**

FINANCE DEPARTMENT REPORT ON THE SOURCES OF FINANCING:

Finance Department confirms that the cost of this project can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Acting Executive Director, Planning, Environmental and Engineering Services & City Engineer, the detailed source of financing for this project is:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Committed to Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
Engineering	\$150,000	\$122,093		\$27,907
Construction	1,550,000	409,855	848,331	291,814
Relocate Utilities	50,000	35,172		14,828
City Related Expenses	50,000			50,000
NET ESTIMATED EXPENDITURES	<u>\$1,800,000</u>	<u>\$567,120</u>	<u>\$848,331</u> 1)	<u>\$384,549</u>
<u>SOURCE OF FINANCING:</u>				
Debenture By-law No. W.-5304-215	\$241,600	\$76,120	\$113,865	\$51,615
Drawdown from City Services - Roads Reserve Fund (Development Charges) 2)	1,558,400	491,000	734,466	332,934
TOTAL FINANCING	<u>\$1,800,000</u>	<u>\$567,120</u>	<u>\$848,331</u>	<u>\$384,549</u>

1) **Financial Note:**

Contract Price	\$833,658
Add: HST @13%	108,376
Total Contract Price Including Taxes	942,034
Less: HST Rebate	93,703
Net Contract Price	<u>\$848,331</u>

- 2) Development charges have been utilized in accordance with the underlying legislation and the Development Charges Background Studies completed in 2009.
- 3) Anticipated additional annual operating costs to the Planning, Environmental and Engineering Services Department budget in 2013 and subsequent years associated with the approval of this project is \$3,200.

JG


Alan Dunbar
Manager of Financial Planning & Policy