

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MAY 15, 2018
FROM:	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL AND ENGINEERING SERVICES AND CITY ENGINEER
SUBJECT:	CONTRACT AWARD: TENDER 18-37 CONTRACT AWARD CONSTRUCTION OF WASTE DISPOSAL CELL 9 AND EXTENSION OF ON-SITE ACCESS ROAD W12A LANDFILL

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer, the following actions **BE TAKEN** with respect to the award of contract for the W12A Landfill Cell 9 Expansion and extension of the On-Site Access Road:

- (a) the bid submitted by Ron Murphy Contracting Co. Ltd (Ron Murphy), at its tendered price of \$4,417,609.76, excluding HST, **BE ACCEPTED**, it being noted that the bid submitted by Ron Murphy was the lowest of six (6) bids received;
- (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 18-37); and
- (e) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

None

2015 – 2019 STRATEGIC PLAN

Municipal Council has recognized the importance of solid waste management, climate change and other related environmental issues in its 2015-2019 - Strategic Plan for the City of London ([2015 – 2019 Strategic Plan](#)). With respect to this CWC Report, three of the four Areas of Focus address waste disposal activities at the W12A Landfill:

Building a Sustainable City

- Strong and healthy environment
- Robust infrastructure

Growing our Economy

- Local, regional, and global innovation

Leading in Public Service

- Excellent service delivery

BACKGROUND

Purpose

This report recommends award of tender to the winning contractor for the construction of waste disposal cell 9 (Cell 9) within the approved waste disposal foot print of the W12A Landfill and extension of the on-site access road, in accordance with the Design and Operations Report for the site.

DISCUSSION

The currently active/existing waste disposal area (Cell 8) has approximately 12 months of disposal capacity remaining. The approximately 6.2 hectare construction of Cell 9 (including the landfill base and leachate collection system) will create approximately 1,100,000 m³ of usable disposal capacity, which will accommodate approximately 3.5 years of waste disposal operation at current landfilling rates.

Supervision and contract administration will be managed through a combination of City staff from the Construction Administration Division and Solid Waste Management Division.

This work was originally budgeted for construction in early 2019. Upon further review, the consultant determined that construction should begin in 2018 to take advantage of this year's construction season. Funding for this project comes from the Federal Gas Tax Reserve Fund and as such, it is available in 2018.

The construction schedule identifies a tentative start month of June, 2018 and 85 working days to complete the project.

Operating costs are expected to increase approximately \$40,000 per year to treat the additional leachate that will be generated, once Cell 9 is constructed. Funds will be transferred from Solid Waste Management to Wastewater Operations to cover these costs. This increase in operating cost has been included in the 2019 budget as part of the 2016-2019 multi-year budget.

Tender Summary

Tenders for the Construction of Waste Disposal Cell 9 and Extension of the On-Site Access Road W12A Landfill were opened on March 29, 2018. Six (6) contractors submitted tender prices as listed below, excluding HST.

Contractor		Tender Price Submitted
1.	Ron Murphy Contracting Co. Ltd.	\$4,417,609.76
2.	JBL Construction	\$4,555,839.05
3.	2044970 Ontario Inc.	\$4,957,393.00
4.	DeKay Construction (1987) Ltd.	\$4,970,448.67
5.	VanRooyen Earthmoving Ltd	\$5,061,205.99
6.	Charlton	\$5,226,495.50

All tenders have been checked by the Environmental and Engineering Services and the City's consultant, Dillon Consulting Ltd (Dillon). None of the tender bids contained mathematical errors. Dillon's role in this phase of the project will be limited to attending key construction progress meetings, reviewing shop drawing submittals, providing AutoCAD surfaces for heavy equipment GPS use, providing technical advice for contemplated or required change orders and preparing as-constructed drawings etc., as per their proposal for Cell 9 design and construction assistance.

The pre-tender estimate (engineering estimate) just prior to tender opening was \$4,980,000.00, excluding HST. The low tender (\$4,417,609.76 excluding HST) is approximately 12% below the pre-tender estimate indicating a competitive bid environment. All tenders include a contingency allowance of \$450,000, excluding HST.

CONCLUSION

Award of the contract for the Construction of Waste Disposal Cell 9 and Extension of the On-Site Access Road W12A Landfill to Ron Murphy Contracting Co. Ltd will ensure waste disposal capacity at the W12A Landfill is secured for continued operations in 2019 and the project will be delivered within the available budget.

PREPARED BY:	PREPARED AND RECOMMENDED BY:
ANDRÉ JOSEPH, P.ENG. MANAGER, SOLID WASTE ENGINEERING AND PLANNING	MICHAEL LOSEE, B.Sc. DIVISION MANAGER, SOLID WASTE MANAGEMENT
PREPARED AND RECOMMENDED BY:	REVIEWED & CONCURRED BY:
JAY STANFORD, M.A., M.P.A. DIRECTOR, ENVIRONMENT, FLEET & SOLID WASTE	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER

Attach: Appendix 'A' – Sources of Financing

- c. John Freeman, Manager, Purchasing and Supply
Gary McDonald, Budget Analyst, Tangible Capital Assets
Ron Murphy Contracting Co. Ltd