

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MAY 26, 2020
FROM:	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES AND CITY ENGINEER
SUBJECT:	CONTRACT AWARD: TENDER 20-74 CONTRACT AWARD W12A LANDFILL SITE CELL 10 BASE AND LEACHATE COLLECTION SYSTEM CONSTRUCTION

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental & Engineering Services and City Engineer, the following actions **BE TAKEN** with respect to the award of contract for the W12A Landfill Site Cell 10 Base and Leachate Collection System Construction:

- (a) the bid submitted by Ron Murphy Contracting Co. Ltd (Ron Murphy), at its tendered price of \$4,476,790, excluding HST, **BE ACCEPTED**, it being noted that the bid submitted by Ron Murphy was the lowest of five (5) 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 20-74); 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

Relevant reports that can be found at www.london.ca under City Hall (Meetings) include:

- Contract Award -Tender 18-37 Construction of Waste Disposal Cell 9 and Extension of On-Site Access Road W12A Landfill (May 15, 2018 meeting of Civic Works Committee, Item #2.2)

COUNCIL'S 2019 - 2023 STRATEGIC PLAN

Municipal Council has recognized the importance of solid waste management in its 2019-2023 Strategic Plan for the City of London as follows:

Building a Sustainable City

- London's infrastructure is built, maintained, and operated to meet the long-term needs of our community.
- London has a strong and healthy environment

Leading in Public Service

- London is a leader in Ontario for attracting new jobs and investments (Increase partnerships that promote collaboration, innovation and investment)

BACKGROUND

Purpose

The purpose of this report is to recommend the award of tender to the winning contractor (Ron Murphy Contractor Co.) for the construction of waste disposal cell 10 (Cell 10) base and leachate collection system and ancillary features (extension of on-site access road) within the approved waste disposal foot print of the W12A Landfill in accordance with the Design and Operations Report for the site.

DISCUSSION

The currently active/existing waste disposal area (Cell 9) has approximately 10 to 12 months of disposal capacity remaining. The approximately 7.5 hectare construction of Cell 10 (including the landfill base and leachate collection system) will create approximately 1,000,000 m³ of usable disposal capacity, which will accommodate approximately 3 years of waste disposal operation at current landfilling rates. Cell 10 is the last cell to be constructed at the W12A Landfill under the existing Environmental Compliance Approval (ECA). The Environmental Assessment for the expansion of the W12A landfill is under way.

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

This project is part of the City's capital budget plan, was budgeted to proceed in 2020 and is proceeding as planned and on schedule. The Special Provisions of the tender requires the contractor to develop a site specific health and safety plan to undertake this construction project following the latest guidelines and regulations in reference to COVID19 precautions.

The construction schedule identifies a tentative start date of late June or early July, 2020 and 90 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 10 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 2020-2023 multi-year budget.

Tender Summary

Tenders for the Construction of Waste Disposal Cell 10 and Extension of the On-Site Access Road W12A Landfill were received on May 8, 2020. Five (5) contractors submitted tender prices as listed below, excluding HST.

Contractor		Tender Price Submitted
1.	Ron Murphy Contracting Co. Ltd.	\$4,476,790.00
2.	J-AAR Excavating Limited	\$4,487,467.00
3.	BRE-EX Construction Inc.	\$4,997,802.46
4.	2044970 Ontario Inc.	\$5,087,999.00
5.	1573335 ONT LTD O/A Charlton Group	\$6,028,862.40

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 10 design and construction assistance. Dillon has been involved in the last three cell construction projects and continues to provide very good value in its role.

The pre-tender estimate (engineering estimate) just prior to tender opening was \$4,857,962, excluding HST. The low tender (\$4,476,790 excluding HST) is approximately 8% below the pre-tender estimate indicating a competitive bid environment. All tenders include a contingency allowance of \$450,000, excluding HST.

Ron Murphy Contracting was the low tender on the last waste disposal cell construction project undertaken at W12A (Cell 9). The work completed by Ron Murphy Contracting on Cell 9 met all City expectations and was completed on budget and on schedule.

CONCLUSION

Award of the contract for the Construction of W12A Landfill Site Cell 10 Base and Leachate Collection System to Ron Murphy Contracting Co. Ltd for their tendered price of \$4,476,790 excluding HST will ensure waste disposal capacity at the W12A Landfill is secured for continued operations and the project will be delivered within the available budget.

PREPARED BY:	PREPARED BY:
LAWRENCE CHEN, P.ENG. MANAGER, SOLID WASTE ENGINEERING AND PLANNING	MICHAEL LOSEE, B.Sc. DIVISION MANAGER, SOLID WASTE MANAGEMENT
PREPARED AND SUBMITTED BY:	RECOMMENDED 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
 John Stevely, Procurement Officer
 Ron Murphy Contracting Co. Ltd

APPENDIX "A"

Chair and Members
Civic Works Committee

#20073
May 26, 2020
(Award Contract)

RE: Contract Award: Tender No. 20-74
W12A Landfill Site Cell 10 Base and Leachate Collection System Construction
(Subledger LF200002)
Capital Project SW602120 - W12A New Cell Construction
Ron Murphy Contracting Co. Ltd - \$4,476,790.00 (excluding H.S.T.)

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:

Finance & Corporate Services confirms that the cost of this purchase 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 Managing Director, Environmental and Engineering Services and City Engineer, the detailed source of financing for this purchase is:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Committed To Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
Construction	\$4,600,000		\$4,555,582	\$44,418
NET ESTIMATED EXPENDITURES	<u>\$4,600,000</u>	<u>\$0</u>	<u>\$4,555,582</u> 1)	<u>\$44,418</u>
 <u>SOURCE OF FINANCING</u>				
Federal Gas Tax	\$4,600,000	\$0	\$4,555,582	\$44,418
TOTAL FINANCING	<u>\$4,600,000</u>	<u>\$0</u>	<u>\$4,555,582</u>	<u>\$44,418</u>

- 1) Financial Note:
 Contract Price
 Add: HST @13%
 Total Contract Price Including Taxes
 Less: HST Rebate
 Net Contract Price

<u>TOTAL</u>
\$4,476,790
<u>581,983</u>
5,058,773
<u>(503,191)</u>
<u>\$4,555,582</u>

jd

Jason Davies
Manager of Financial Planning & Policy