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TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON APRIL 8, 2013
FROM:	JOHN BRAAM, P. ENG. MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	CONTRACT AWARD: TENDER NO. 13-18 2013 ARTERIAL ROAD REHABILITATION CONTRACT

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 the contract for the 2013 Arterial Road Rehabilitation Contract (TS1446-13):

- (a) the bid submitted by Coco Paving Inc. 1865 Clarke Road, London ON N5X 3Z6, at its submitted tendered price of \$4,683,000.00 (excluding H.S.T.), for the 2013 Arterial Road Rehabilitation Contract, **BE ACCEPTED**, it being pointed out that the bid submitted by Coco Paving Inc. was the lowest of two (2) bids received and meets the City's specifications and requirements in all areas; and it being further noted that there is no anticipated additional operating costs to the Planning & Environmental and Engineering Services budget in 2014 and subsequent years associated with approval of this tender;
- (b) the financing for this project **BE APPROVED** as set out in the Source 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 13-18); 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 provides an evaluation of tender bids received and provides recommendations for the award of a construction contract for the rehabilitation/resurfacing of arterial and primary collector roads in the City of London.

DISCUSSION

The City of London has an annual Life Cycle program to repair and resurface main roads (arterial, primary collectors, expressways and freeways). The 2013 Arterial Road Rehabilitation Contract includes the road segments listed below. They will be undergoing asphalt mat replacement or mill & pave operations using funding from the approved 2013 Arterial Road Rehabilitation budget with the exceptions noted:

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	<u>Location:</u>	<u>From / To:</u>
A.	Commissioners Road E.	Frontenac Road to Highbury Ave S
B.	Commissioners Road E.	Highland Heights to Wellington Rd.
C.	Pond Mills Road	Burlington Gate to Oldham Cres (south leg)
D.	Southdale Road E.	Ernest Ave to Wellington Rd
E.	Wellington Road S.	Rumble strip installation – Glanworth Curve
F.	Westminster Drive	Highbury Ave S. to Wonderland Rd S.

Note:

- The existing traffic signal infrastructure is being upgraded where possible in multiple locations throughout the contract. Funding for this work is being provided from Traffic Signal Maintenance account (TS4067-13 & TS5123-12).

An essential part of the project will be communication with residents and/or businesses along each road segment regarding schedule, duration and expected impacts, and to introduce key project members from the contractor and the City. In general, impacts on the community and through traffic will be short in nature.

Tender Summary:

Tenders for the 2013 Arterial Road Rehabilitation Contract (Tender 13-18) were opened on Tuesday, February 26, 2013. Two (2) contractors submitted tenders prices as listed below (exclusive of H.S.T.).

	CONTRACTOR	TENDER PRICE (SUBMITTED)	CORRECTED TENDER PRICE
1.	Coco Paving Inc.	\$4,683,000.00	---
2.	Dufferin Construction Company	\$4,894,475.20	---

All tenders have been checked by the Environmental and Engineering Services Department, and no errors were found.

The tender estimate just prior to tender opening was \$5,691,747.35 (exclusive of H.S.T.), and was based on values submitted in prior years. All tenders include a contingency allowance of \$500,000.00 (exclusive of H.S.T.).

The tenders are an indicator of a very competitive environment and illustrates the benefit of tendering projects early in the construction season.

There are no anticipated additional annual operating costs to the Environmental and Engineering Services Department associated with the approval of this tender.

Contract administration and onsite inspection services will be provided by City staff, primarily from the Construction Administration Division.

CONCLUSION



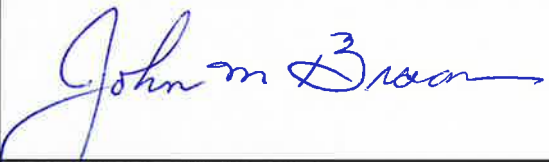
Civic Administration have reviewed the tender bids and recommend that Coco Paving Inc. be awarded the 2013 Arterial Road Rehabilitation Contract in the amount of \$4,683,000.00 (excluding H.S.T.). Upon Council approval and contract award, staff will confirm a schedule with the contractor and initiate a communication program for the various construction locations.

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Every effort is being made to ensure Londoners are aware of construction zones and traffic detours resulting from road work. Daily updates are provided through the City's website, www.london.ca/construction with information about road closures, ongoing and upcoming projects on city streets.

Acknowledgements:

This report was prepared with assistance from Jane Fullick, C.E.T., Technologist II, Karl Grabowski, P. Eng., Transportation Design Engineer, both of the Transportation Planning and Design Division.

PREPARED BY:	REVIEWED BY:
	
DOUG MACRAE, P. ENG. DIVISION MANAGER TRANSPORTATION PLANNING & DESIGN	EDWARD SOLDO, P. ENG. DIRECTOR, ROADS AND TRANSPORTATION
RECOMMENDED BY:	
	
JOHN BRAAM, P. ENG. MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER	

KPG/jef

Attachment: Appendix 'A' – Source of Financing

- cc:
- P. Shack
 - M. Sememiuk
 - J. Lawrence, Construction Admin Division
 - Coco Paving Inc, 1865 Clarke Road, London, ON, N5X 3Z6
 - Dufferin Construction Comp., 2200 Jetstream Rd, PO Box 189, London, ON, N6A 4V7

APPENDIX 'A'

Chair and Members
Civic Works Committee

#13027
March 22, 2013
(Award Contract)

RE: 2013 Arterial Road Rehabilitation
Capital Project TS1446-13 - 2013 Road Rehabilitation (Main)
Capital Project TS1264-11 - 2011 Rural Intersections
Capital Project TS4067-13 - 2013 Traffic Signals Maintenance
Capital Project TS5123-12 - 2012 Street Light Maintenance
Coco Paving Inc. - \$4,683,000.00 (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 Managing Director, Environmental & 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>
<u>TS1446-13-2013 Road Rehab. (Main)</u>				
Construction	\$6,000,000		\$4,616,030	\$1,383,970
<u>TS1264-11-2011 Rural Intersection</u>				
Engineering	50,000			50,000
Construction	672,905	178,145	109,697	385,063
City Related Expenses	10,000			10,000
	<u>732,905</u>	<u>178,145</u>	<u>109,697</u>	<u>445,063</u>
<u>TS4067-13-2013 Traffic Signals - Mtce</u>				
Engineering	40,000	37,092		2,908
Traffic Signals	1,004,000		29,770	974,230
	<u>1,044,000</u>	<u>37,092</u>	<u>29,770</u>	<u>977,138</u>
<u>TS5123-12-2012 Street Light - Mtce</u>				
Construction	100,000	89,402		10,598
Traffic Lights	1,400,000	285,969	9,924	1,104,107
	<u>1,500,000</u>	<u>375,371</u>	<u>9,924</u>	<u>1,114,705</u>
NET ESTIMATED EXPENDITURES	<u>\$9,276,905</u>	<u>\$590,608</u>	<u>\$4,765,421</u> 1)	<u>\$3,920,876</u>

SOURCE OF FINANCING:

<u>TS1446-13-2013 Road Rehab. (Main)</u>				
Federal Gas Tax	\$6,000,000	\$0	\$4,616,030	\$1,383,970
<u>TS1264-11-2011 Rural Intersection</u>				
Capital Levy	98,408	23,920	14,729	59,759
Drawdown from City Services-Roads R.F. (Development Charges)	2) 634,497	154,225	94,968	385,304
	<u>732,905</u>	<u>178,145</u>	<u>109,697</u>	<u>445,063</u>
<u>TS4067-13-2013 Traffic Signals - Mtce</u>				
Capital Levy	1,044,000	37,092	29,770	977,138
<u>TS5123-12-2012 Street Light - Mtce</u>				
Capital Levy	1,500,000	375,371	9,924	1,114,705
TOTAL FINANCING	<u>\$9,276,905</u>	<u>\$590,608</u>	<u>\$4,765,421</u>	<u>\$3,920,876</u>

Financial Note:


	<u>TS1446-13</u>	<u>TS1264-11</u>	<u>TS4067-13</u>	<u>TS5123-12</u>
1) Contract Price	\$4,536,193	\$107,800	\$29,255	\$9,752
Add: HST @13%	589,705	14,014	3,803	1,268
Total Contract Price Including Taxes	5,125,898	121,814	33,058	11,020
Less: HST Rebate	509,868	12,117	3,288	1,096
Net Contract Price	<u>\$4,616,030</u>	<u>\$109,697</u>	<u>\$29,770</u>	<u>\$9,924</u>

Financial Note:

1) Contract Price	TOTAL
Add: HST @13%	\$4,683,000
Total Contract Price Including Taxes	608,790
Less: HST Rebate	5,291,790
Net Contract Price	526,369
	<u>\$4,765,421</u>

- 2) Development Charges have been utilized in accordance with the underlying legislation and the Development Charges Background Studies completed in 2009.
- 3) There are no anticipated additional annual operating costs to the Environmental and Engineering Services Department associated with the approval of this tender.

EH


Alan Dunbar

Manager of Financial Planning & Policy