

Municipality of Chatham-Kent
Infrastructure and Engineering Services
Engineering and Transportation

To: Mayor and Members of Council

From: Chris Thibert, P.Eng.
Director, Engineering & Transportation

Date: June 26, 2018

Subject: Tender Award: Contract T18-243, Bloomfield Road Reconstruction,
Community of Chatham

Recommendations

It is recommended that:

1. The tender in the amount of \$5,170,055.10, including HST for the Bloomfield Road Reconstruction, community of Chatham be awarded to Clarke Construction Inc.
2. The Mayor and Clerk be authorized to sign the necessary agreements.

Background

In 2001 the Municipality of Chatham-Kent began the planning for the reconstruction of Bloomfield Road between Richmond Street and Riverview Drive by conducting a borehole investigation of the road allowance. In 2008, the Municipality of Chatham-Kent Transportation Master Plan was completed and from that document the strategic direction for the Western Transportation Link was established. In 2014, the Western Transportation Link Environmental Study Report was finalized and provides the template for the reconstruction of this portion of Bloomfield Road.

The majority of the development along this section of Bloomfield Road has been completed thus providing the Municipality an opportunity to reconstruct the road and improve the drainage for the long term, mitigating additional lifecycle expenses.

This project is to be part of the 2018 Storm Sewer Lifecycle Budget, 2018 Road Resurfacing Lifecycle Budget, 2018 Active Transportation Lifecycle and the 2017 Ontario Municipal Commuter Cycling Fund (OMCC) and the 2018 Capital Budget.

The engineering, contract administration, and inspection on this project are being carried out by HRYCAY Consulting Engineers Inc. (HCEI). A tender was issued by HCEI for the construction of this project.

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Comments

The storm sewer portion of the project consists of approximately 1042 metres of 900mm to 1200mm diameter sewer pipe, 14 manholes and 51 catch basins, all to be installed.

The contractor will also be installing 2 runs, 1325 metres of 50mm PE fibre optic conduit.

The reconstruction of the travelled road shall include the granular road base, asphalt paved roadway and concrete curb with gutter. The reconstruction of the boulevards shall include a paved 3.0 metre wide multi-use trail, surface grading, street lighting and lighting for the trail.

HCEI's most recent estimate for construction was for \$5,497,452.83 including contingency and HST. The Municipality of Chatham-Kent had budgeted \$5,700,000 for the construction of the project.

The Purchasing Officer received and opened tenders for the work on Thursday, June 14, 2018. The results are as follows:

**Contract T18-243
Bloomfield Road Reconstruction
Community of Chatham**

Rank	Tenderer	Tender Amount incl. HST
1	Clarke Construction Inc. Blenheim, ON	\$5,170,055.10 *
2	Major Construction (2010) Ltd. Windsor, ON	Rejected **

* NOTE: The bid submitted had an arithmetic error.

** NOTE: The bid submitted was rejected.

HCEI has reviewed the tender from Clarke Construction Inc. and found it to be complete in all respects except for an arithmetic error that has been corrected. The bid from Major Construction (2010) Ltd. was rejected due to non-compliance.

It is the recommendation herein that the contract be awarded to Clarke Construction Inc. who submitted the lowest tender bid, Appendix A.

The project construction should commence in August of 2018 and be substantially completed by the end of November 2018.

Areas of Strategic Focus and Critical Success Factors

The recommendations in this report support the following areas of strategic focus:

- Economic Prosperity:
Chatham-Kent is an innovative and thriving community with a diversified economy
- A Healthy and Safe Community:
Chatham-Kent is a healthy and safe community with sustainable population growth
- People and Culture:
Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community
- Environmental Sustainability:
Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendations in this report support the following critical success factors:

- Financial Sustainability:
The Corporation of the Municipality of Chatham-Kent is financially sustainable
- Open, Transparent and Effective Governance:
The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership
- Has the potential to support all areas of strategic focus & critical success factors
- Neutral issues (does not support negatively or positively)

Consultation

The tenders were opened by the Purchasing Officer and reviewed by the Engineering and Transportation Division, Infrastructure and Engineering Services and by HCEI.

The General Manager of Infrastructure and Engineering Services, the Manager of Parks and Open Spaces and the Purchasing Officer were consulted in the preparation of this report.

Financial Implications

The project is being funded through the 2018 Road and Storm Sewer Lifecycle Budgets, 2018 Capital Budget Funding, 2018 Active Transportation Lifecycle and the 2017 Ontario Municipal Commuter Cycling Fund (OMCC).

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The project summary is set out in the following table.

**Contract T18-243
 Bloomfield Road Reconstruction
 Community of Chatham**

	Description	Total
(A)	Low Tender, with HST	\$5,170,055.10
Project Costs	Engineering & Admin, with HST	\$137,899.06
	Less HST Rebate (11.24%)	\$(527,977.03)
	Approval Fees	\$1,100.00
	Project Total	\$4,781,077.13
	Description	Total
(B)	2018 Storm Lifecycle	\$1,858,000.00
Project Funding	2018 Road Lifecycle /OCIF Funding	\$1,786,000.00
	2018 Capital Funding	\$900,000.00
	2018 Active Transportation Lifecycle	\$38,000.00
	2017 Ontario Municipal Commuter Cycling Fund (OMCC)	\$200,000.00
	Project Total	\$4,782,000.00

Tender Award:
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Community of Chatham

Prepared by:

Reviewed by:

Matthew Link, A.Sc.T.
Engineering Technologist
Engineering and Transportation

Chris Thibert, P.Eng.
Director
Engineering and Transportation

Reviewed by:

Jeff Bray
Manager
Parks and Open Spaces

Thomas Kelly, MBA, P.Eng.
General Manager
Infrastructure and Engineering Services

Consulted and confirmed the content of the consultation section of the report by:

Jennifer Scherle
Purchasing Officer, Financial Services

Attachments: Appendix A Consultant's Letter of Recommendation

REF: P:\RTC\Infrastructure and Engineering\I & ES\2018\ 4023 – Tender Award T18-243
Bloomfield Road Reconstruction Community of Chatham

June 26, 2018

Via: E-mail

Mr. Matthew Link
The Municipality of Chatham-Kent
315 King Street West
Chatham, Ontario
N7L 5K8

Dear Mr. Link:

Re: Bloomfield Road Reconstruction
Contract No. T18-243
Recommendation for Construction Contract Award
HCEI File No. M423

Overall Tender Results

The Bloomfield Road Reconstruction project was competitively tendered by the Municipality of Chatham-Kent during the period of June 7th, 2018 to June 21st, 2018, and a total of two (2) tenders were received at a public opening at 1:30 pm EDT on June 21st, 2018. The tender results were as follows from lowest to highest, including HST:

- Clarke Construction Inc. \$ 5,170,055.10 *
- Major Construction (2010) Ltd. bid rejected

** denotes tender totals that have been corrected for math errors.*

HCEI's tender cost estimate for this project was \$5,497,452.83 including HST. Clarke Construction Inc.'s bid was lower than the estimated project cost by \$327,397.73 and was within 6% of the estimated project cost.

Review of Tenderers Information

HCEI has conducted an evaluation of the accepted tenders that were received. The submissions were mostly complete, however, some discrepancies were identified. These are summarized below for each tenderer.

- Clarke Construction Inc.: There was a discrepancy between the total price and the calculated total price for Part D, Storm Sewers and Drainage. The correct total price for Part D, when all item total prices are added together, is \$1,217,340.00. This increased Clarke Construction Inc.'s bid total by \$270.00. As Clarke Construction Inc. was the sole bidder on this project, this discrepancy had no effect on the overall tender recommendation.

Tenderers Capability

Clarke Construction Inc. was the sole bidder for this project. Clarke Construction Inc. has experience working on road reconstruction projects in the Municipality of Chatham-Kent.

HCEI reviewed all bids, and all accepted tenderers were well-qualified to successfully construct this project. Based on our review, Clarke Construction Inc. appears to be a qualified contractor for the construction of this project, along with being the sole bidder.

Recommendation

Based on a review of the received tenders for the referenced project, HCEI recommends that this project be awarded to **Clarke Construction Inc.** for a value of **\$5,170,055.10**, including HST.

Please direct any questions or concerns to the undersigned at (519) 737-7234.

Yours truly,

HRYCAY Consulting Engineers Inc.



Justine E. Arbour, P.Eng.

JEA/ja