

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

To: Mayor and Members of Council

From: Adam Sullo, P.Eng.
Director, Engineering & Transportation

Date: February 16, 2018

Subject: Tender Award: Contract T18-154, Elgin Street Reconstruction,
Community of Wallaceburg

Recommendations

It is recommended that:

1. The tender in the amount of \$4,994,600.00, including HST for the Elgin Street Reconstruction, community of Wallaceburg be awarded to Clarke Construction Inc.
2. The Mayor and Clerk be authorized to sign the necessary agreements.

Background

The Municipality of Chatham-Kent is experiencing operational and condition issues with the storm sewer, sanitary sewer, watermain and the paved road surface along Elgin Street from Forhan Street to Gordon Street in the Community of Wallaceburg. The Wallaceburg Sewer Assessment (TSH July 2003) identified issues with the storm and sanitary sewers along Elgin Street and consideration for the rehabilitation / upgrade replacement of the existing infrastructure is being made. The existing 150mm and 200mm diameter cast iron watermain on Elgin Street was installed in the 1970's. There have been a number of breaks experienced in this area over the years.

This project is to be part of the 2018 PUC Watermain Lifecycle Budget and the 2018 PUC Sanitary Sewer Lifecycle Budget by the Public Utilities Commission (PUC), as well as the 2018 Storm Sewer Lifecycle Budget and the 2018 Road Resurfacing Lifecycle Budget. The engineering, contract administration, and inspection on this project are being carried out by B.M. Ross and Associates Limited (BM Ross). A tender was issued by BM Ross for the construction of this project.

Tender Award:
Contract T18-154, Elgin Street Reconstruction
Community of Wallaceburg

Comments

The sanitary sewer portion of the project consists of approximately 1125 metres of 200mm to 375mm diameter PVC sewer pipe and 16 manholes, all to be replaced. A total of 68 lateral service connections will be replaced.

The storm sewer portion of the project consists of approximately 1361 metres of 200mm to 825mm diameter PVC and concrete sewer pipe, 30 manholes and 23 catch basins, all to be replaced. A total of 77 lateral service connections will be replaced.

The watermain portion of the project consists of approximately 1225 metres of 150mm to 250mm diameter PVC pipe. A total of 66 water service connections will be replaced along with a total of 8 fire hydrants installed.

The contractor will also be installing 4 runs, 1100 metres of 50mm PE fibre optic conduit.

The concrete curbs, concrete sidewalk and the paved road will be replaced as part of the reconstruction.

BM Ross's most recent estimate for construction was for \$4,560,970.41 including contingency and HST. The Municipality of Chatham-Kent had budgeted \$5,085,000 for the construction of the project.

Tender Award:
Contract T18-154, Elgin Street Reconstruction
Community of Wallaceburg

The Purchasing Officer received and opened tenders for the work on Thursday, February 8, 2018. The results are as follows:

Contract T18-154 Elgin Street Reconstruction Community of Wallaceburg		
Rank	Tenderer	Tender Amount includes HST
1	Clarke Construction Inc. Blenheim, Ontario	\$ 4,994,600.00
2	Cope Construction & Contracting Inc. Sarnia, Ontario	\$ 5,013,402.92*
3	Henry Heyink Construction Ltd. Chatham, Ontario	\$ 5,140,901.10
4	Birnam Excavating Ltd. Warwick, Ontario	\$ 5,820,578.64
5	DiCocco Contractors 2015 Inc. Sarnia, Ontario	\$ INC.**

* NOTE: A mathematical error was corrected but it did not impact the tender outcome.

** NOTE: The submission was Incomplete.

BM Ross has reviewed the tenders and found them to be complete in all respects except for the bids from Cope Construction & Contracting Inc. which had a mathematical error that did not impact the tender outcome and the bid from DiCocco Contractors 2015 Inc. which was deemed incomplete.

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 April of 2018 and be completed by the end of September 2018.

Tender Award:
Contract T18-154, Elgin Street Reconstruction
Community of Wallaceburg

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 BM Ross.

The General Manager of the Chatham-Kent PUC and the Purchasing Officer were consulted in the preparation of this report.

Financial Implications

The project is being funded through the 2018 PUC Watermain and Sanitary Sewer Lifecycle Budgets by the Public Utilities Commission (PUC) and the 2018 Road, Sidewalk and Storm Sewer Lifecycle Budgets and the 2018 Capital Arterial Collector Sidewalk Budget.

Tender Award:
 Contract T18-154, Elgin Street Reconstruction
 Community of Wallaceburg

The project summary is set out in the following table.

Contract T18-154 Elgin Street Reconstruction Community of Wallaceburg		
(A) Project Costs	Description	Total
	Low Tender, w/ HST	\$ 4,994,600.00
	Engineering & Admin w/ HST	\$ 175,359.05
	Less HST Rebate 11.24%	\$ - 514,250.79
	Permits	\$ 2,300.00
	Project Total	\$ 4,658,008.26
(B) Project Funding	Description	Total
	2018 Water Lifecycle Budget	\$ 1,221,330.00
	2018 Sanitary Lifecycle Budget	\$ 1,169,160.00
	2018 Storm Lifecycle Budget	\$ 1,797,991.00
	2018 Road Lifecycle Budget	\$ 393,136.00
	2018 Sidewalk Lifecycle Budget	\$ 38,195.63
	2018 Sidewalk Arterial Collector Budget	\$ 38,195.63
Total Funding	\$ 4,658,008.26	

Tender Award:
Contract T18-154, Elgin Street Reconstruction
Community of Wallaceburg

Prepared by:

Reviewed by:

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

Adam Sullo, P.Eng.
Director
Engineering and Transportation

Reviewed by:

Reviewed by:

Tim Sunderland
General Manager
Chatham-Kent PUC

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\3974 - Contract Award T18-154
Elgin St Reconstruction - Wallaceburg.docx

**B. M. ROSS AND ASSOCIATES LIMITED****Engineers and Planners**

62 North Street, Goderich, ON N7A 2T4

p. (519) 524-2641 • f. (519) 524-4403

www.bmross.net

File No. 16199

February 12, 2018

Matthew Link, A.Sc.T., Engineering Technologist
 Municipality of Chatham-Kent
 315 King Street West, P.O. Box 640
 First Floor, Civic Centre
 Chatham, ON N7M 5K8

RE: Contract T18-154, Elgin Street Reconstruction

Tenders were received on Thursday, February 8, 2018 for the above noted project, as summarized by the following table:

Tenderer	Tendered Amount (incl HST)
Clarke Construction Inc.	\$4,994,600.00
Cope Construction & Contracting Inc.	\$5,013,402.92
Henry Heyink Construction Ltd.	\$5,140,901.10
Birnam Excavating Ltd.	\$5,820,578.64
Dicocco Contractors 2015 Inc.	\$7,520,640.42

All of the tenders were checked and the corrected amounts are shown above.

The quantity for Item 16 b) was changed from 6 to 7 in Addendum No.2. Cope's tender carried the original quantity of 6 so the corrected tender amount using the quantity of 7 and their tendered unit price is shown in the summary above.

Dicocco's tender was missing Page 10 of the Tender Form so their tender is deemed to be incomplete.

All tenders were properly signed and each was submitted with the specified tender deposit and Agreement to Bond. Two Addenda were issued during the tender period and all bidders acknowledged their receipt.

Since the project awaits approval from the Ministry of Environment and Climate Change, a definitive start date has not been established. The pre-tender budget estimate prepared by BMROSS was \$4,560,970.41 for the project.

Since the lowest tender is acceptable contractually, and the tenderer is experienced in municipal infrastructure and road construction, further analysis is limited to the lowest bid. We therefore recommend that this contract be awarded to Clarke Construction Inc. for the total tender sum of \$4,994,600.00 subject to the Municipality obtaining the required MOECC ECA for the project.

Please retain the tender deposits from the two low bidders until the contracts are formally signed. The other tender deposits may now be returned.

Should you have any questions, please contact the undersigned.

Yours very truly,

B. M. ROSS AND ASSOCIATES LIMITED

Per


Curt Bladon, P. Eng.

GCB:hv