



The Corporation of the City of Elliot Lake

Staff Report

Report of the **Director of Public Works**
for the Consideration of Council

RE: Esten Drive South Culvert Replacement

OBJECTIVE

To provide Mayor and Council with information regarding the Esten Drive South Culvert Replacement

RECOMMENDATION

THAT Staff Report RDS2021-01 dated June 22nd, 2021 of the Director of Public Works be received;

AND THAT Contract No. RDS2021-01, for replacement of the Esten Drive South culvert, in the amount of **\$340,000.00** plus applicable taxes be awarded to Wendell Farquhar Trucking Limited.

Respectfully Submitted

Approved

A handwritten signature in black ink, appearing to read "Daryl Halloch".

Daryl Halloch
Director of Public Works

A handwritten signature in blue ink, appearing to read "Daniel Gagnon".

Daniel Gagnon
Chief Administrative Officer

June 22, 2021

BACKGROUND

Inspection of the Esten Drive South culvert revealed extensive corrosion at the water line level over the majority of the length of the culvert. The condition of the culvert was compromised to the extent that replacement was warranted.

The services of Tulloch Engineering were secured to assist with preliminary design and cost estimates for a suitable replacement.

Engineering work was completed by Tulloch Engineering and called for replacement of one (1) 1500mm diameter corrugated steel pipe, 54 meters in length. Tender for the work was released on May 28th, 2021 and closed at 3:00pm on Friday, June 18th, 2021.

A tender was sent out by invitation to 4 local contractors (Beamish, WFT, J.I. and Leroy). Due to the pandemic and guidelines set out by the local health unit, asking residents not to travel out of the Algoma region, the decision to invite to local contractors was made.

In total, three (3) firms submitted tender responses by the specified closing time. With one bid completed from a contractor outside the Algoma region – R.M. Belanger Limited

ANALYSIS

The tender includes all costs associated with the removal and replacement of the culverts as well as site remediation and road restoration, and includes a **\$25,000.⁰⁰** contingency allowance. The pricing received through the tender responses was as follows:

Wendell Farquhar Trucking -	\$360,314.⁰⁰
R.M. Belanger Limited -	\$318,810.⁹⁰
Beamish Construction Inc. -	\$398,227.¹⁸

Form of Tenders, Bonding Certificates, Proposed Equipment Forms, Tenders Experience Forms, and Tenders list of sub-contractors were reviewed. No bid irregularities were noted during the review process.

After realizing that R.M. Belanger Limited was not one of the companies invited to tender, a phone call was made to (WFT) to negotiate a lower price, as they were the low bid. After further discussion, WFT was willing to lower their bid price to **\$340,000** plus applicable taxes to complete the project and be within **6.5%** of the bid supplied by R.M. Belanger Limited compared to **13.5%**.

FINANCIAL IMPACT

The total cost for the work is comprised of the following expenses:

\$340,000.⁰⁰	Lowest bid price;
\$29,000.⁰⁰	Engineering cost to date;
<u>\$23,000.⁰⁰</u>	Cost of Culvert purchased by City;
\$392,000.⁰⁰	Total (less applicable taxes)

Council approved a 2021 Capital project amount of **\$407,040⁰⁰** to complete the replacement of the Esten Drive South Culvert project. The city purchased the replacement culvert, saving an estimated **\$20,000** from the total price. The project is to start by July 12, 2021 and be completed by August 6, 2021, which is a total of 4 weeks and will require inspection costs (estimated to be **\$10,000**). This would still result in the project being under budget by an estimated amount of **\$5,000** and could be as high as **\$30,000**, if the contingency is not utilized.

LINKS TO STRATEGIC PLAN

This report is consistent with the actions required under “Continued Investment into Infrastructure”.

SUMMARY

It is recommended that the bid submitted by WFT Limited, in the amount **\$340,000.⁰⁰** plus applicable taxes for Contract No.RDS2021-01 for the replacement of the Esten Drive South culvert be approved for reasons stated above.