

### REPORT OF THE ACTING DIRECTOR OF PUBLIC WORKS

re: RDS 23-07 Hillside Dr. Reconstruction Tender Results

### RECOMMENDATION

That Council recognize Denis Gratton Construction Ltd. as the successful bidder for RDS23-07;

And that Tulloch Engineering be engaged under the City's existing service agreement with the firm for site supervision, materials testing and project administration services for the project;

And that funds in the amount of \$9,416,918.00 be committed from the Infrastructure Services - Linear, Traffic Operations & Roadside reserve to support the project;

And that the appropriate bylaw be passed.

### BACKGROUND

On September 13, 2021, The Director of Public Works detailed the importance of reconstructing Hillside Dr. N from Hwy 108 to Hutchinson Ave. in a report to Council.

On July 18<sup>th</sup> 2022, the Director of Public Works offered an update to the City's Public Services Committee on the parameters and status of the project. The project was subsequently identified in the 2023 budget process to be completed during 2024.

Tulloch engineering conducted the required geo-technical data for the project through the summer of 2022, and developed the scope of work for the project through 2023. Excerpts from the drawing set of the published tender documents that detail the scope of work for the project are attached to this report for Council's review.

Based on the data collection by Tulloch Engineering, Staff revised the project scope to focus on the area between HWY 108 and Beech Rd., as construction costs had increased post-pandemic, and the additional approximately 100m between Beech Rd. and Hutchinson Ave. was in comparatively good condition in terms of water / waste water services and road condition.

The project was put to tender on Wednesday October 11<sup>th</sup>, 2023 and closed to bid submissions on Wednesday November 8<sup>th</sup>, 2023. The bid submissions were opened at a public tender opening at City Hall on November 8, 2023.

In general, the project scope that went to tender involves the removal and replacement of the road surface, associated subsoils, affected curbs, water main, storm and sanitary sewer lines, streetlights, and traffic control lights along an approximate 900m length of Hillside Dr. N from HWY 108 through to the Beech Rd area. Some additional work to adjacent water and sewer lines is included in the scope of work for the project.

Construction for the project is planned to occur during the 2024 construction season, and is scheduled to take 12 working weeks comprised of five eight-hour days from a start date of the vendor's choosing. The work is to commence no later than May 1<sup>st</sup>, 2024 and is to extend no later than October 31, 2024.

## ANALYSIS

Staff commissioned Tulloch Engineering to do a bid submission analysis of the tender responses for the project. A letter from Tulloch Engineering detailing the results of those analysis efforts is attached to this report for Council's review.

After careful review of the bid submissions from the tender respondents, their opinion is that the submitted bid from Denis Gratton Construction Ltd. in the amount of \$8,921,918.00 (excluding HST) is the competitive bid for the project and meets the published tender submission criteria.

During development of the scope of work for the project, it became clear that a pressure reducing valve in proximity to Beech Rd. needs to be replaced and would be best addressed during the project. Removal and installation costs for this valve was included in the tender documents, but in an effort to save the administrative time to develop specifications for the equipment (which would have delayed the tender process) the material costs were not. Staff is still contemplating the specifics on how to address this issue both technically and administratively, but would like Council to be aware that anticipated costs for this equipment is approximately \$170,000.00. Staff will be rolling this budget figure into capital planning for 2024.

Additionally, Staff recognizes that there will not likely be internal capacity to administer the project through the summer of 2024 due to other pending projects, the relatively technical nature of this project as well as this project's scale. As such, Staff has asked Tulloch Engineering to provide a budget estimate for project administration as well as required materials testing for the project. Further to the Tendered Construction Costs, Tulloch Engineering's estimated costs to undertake Contract Administration & Inspections, including Material Testing is \$325,000.00 + HST. This cost is based on full-time inspection, as well as all Contract Administration duties including contract preparation, question/answers, bi-weekly meetings, payment certifications and payment recommendations, as well as project close out. Also included are material testing fees for the asphalt and concrete. These costs are included in the project breakdown in the Financial Breakdown section below.

## FINANCIAL IMPACT

Based on the tender process and the budgeting for associated project costs discussed above, the anticipated project costs for RDS 23-07 are as follows:



Item	Price / Budget (Excluding HST)	Price / Budget (Including HST)
Construction Costs As Tendered	\$8,921,918	\$10,081,767
Site Inspection and Administration	\$325,000	\$367,250
Equipment Cost for Pressure Reducing Valve	\$170,000	\$192,100
<b>Total:</b>	<b>\$9,416,918</b>	\$10,641,117

Staff recommends that funds required to support the project as detailed above be drawn from the City's Infrastructure Services - Linear, Traffic Operations & Roadside reserve.

Staff has incorporated the anticipated expense of this project into its past financial forecasting, and recommends that the result of this tender process as well as anticipated associated project costs be used to inform the pending 2024 capital budget.

## LINKS TO STRATEGIC PLAN

This project directly relates to the following key section of the strategic plan:

- Continued investment into infrastructure

## SUMMARY

Staff recommends that Council recognize Gratton Construction Ltd. as the successful bidder for RDS23-07. Staff further recommends that a contract be awarded to Gratton Construction Ltd as the successful bidder for RDS23-07 in the amount of **\$8,921,918.00 plus HST** for the Hillside Dr. Reconstruction Project.

