

**DATE:** May 21, 2024

**REPORT NO:** PW-14-2024

**SUBJECT:** **Barbara St., Brooks Circ., & Killins St. Water main Replacement & Road Reconstruction (PW 2024-02) – Budget Amendment BA2024-03 and Tender Award**

**CONTACT:** Ray Vachon, C.E.T. – Project Manager  
Mike DiPaola, P.Eng., - Director of Public Works & Recreation

**OVERVIEW:**

- In February 2024, Council approved the 2024 Capital Budget that included \$1,900,000.00 for water main replacement and road rehabilitation of Barbara Street, Brooks Circle, and Killins Street.
- Staff circulated a Tender on March 26 2024, with nine (9) tender submissions received on the closing date of April 12, 2024.
- A low bid in the amount of \$1,733,881.00 (excluding HST) was received from Catalina Excavating Inc. of Hamilton ON, after the \$50,000 post-tender contingency allowance reduction.
- Staff recommends awarding the contract to Catalina Excavating Inc.
- Staff recommends that the Engineering Agreement with the consulting firm of Associated Engineering (Ont) Ltd. be extended to include the required contract administration and construction inspection services of \$99,990.00 (excluding HST), with the engineering fees being calculated on a time plus disbursements basis.
- Staff requests that Budget Amendment BA2024-03 be approved to reallocate budgeted expenditures and funding to allow for the new sidewalk on Barbara St. and Killins St., at an estimated cost of \$160,000.00, based on prices submitted by the low bidder.

**RECOMMENDATION:**

1. That report PW-14-2024 titled, “Barbara St., Brooks Circ., & Killins St. Water main Replacement & Road Reconstruction (PW 2024-02) – Budget Amendment BA2024-03 and Tender Award”, dated May 21, 2024 be received;
2. That tender submission be awarded to Catalina Excavating Inc. for the water main, sidewalk and road construction work, in the amount of \$1,733,881.00 (excluding HST); and
3. That Budget Amendment BA2024-03, as outlined in Schedule C to report PW-14-2024, to reallocate the budgeted expenditures and financing for the water main and road projects, along with the new sidewalk on Barbara St. and Killins St., at an

- estimated cost of \$160,000.00, be approved; and
4. That the Engineering Agreement with the consulting firm of Associated Engineering (Ont) Ltd. be extended to include contract administration and inspection services of \$99,990.00 (excluding HST), with the engineering fees being calculated on a time plus disbursements basis; and
  5. That a by-law authorizing the Mayor and Clerk to enter into an agreement with Catalina Excavating Inc., be passed.

**ALIGNMENT TO STRATEGIC PLAN:**

- **BUILD** a safe, connected, caring and active community

**BACKGROUND:**

In the 2024 Capital Budget, Council approved \$1,900,000.00 towards the water main replacement and road rehabilitation of Barbara Street, Brooks Circle, and Killins Street project. Please refer to Schedule A for the project location plan.

The project entails the replacement of 770m of water main, some curb replacement & repairs, a new sidewalk along the east side of Barbara and north side of Killins, some road base repairs, and new asphalt pavement.

The detail design proceeded throughout 2023 and into early 2024. On February 27, 2024, Staff and the Consultant held a Public Information Centre (P.I.C.) for affected residents to give them an opportunity to review the project scope and upcoming construction project. The process was helpful with the final design and also served to keep everyone informed.

Following the P.I.C., the detailed design and contract document was finalized and tendered.

**CURRENT SITUATION:**

On March 26, 2024, Staff circulated a tender document on the Township’s Bidding System – Bids & Tenders. On the closing date of April 12, 2024, nine (9) tenders were received and opened.

All nine (9) submissions were reviewed by staff and forwarded to the Consultant to check for completeness, accuracy and arithmetic correctness. All extensions and the totals for all tenders were checked and no errors found. The tender bid submissions are as follows:

<b>Company</b>	<b>Tender Price (excl. HST)</b>
Catalina Excavating Inc.	\$1,783,881.00
Cotton Inc.	\$1,851,948.75

Neil Montague Construction Limited	\$1,979,045.00
KADA Group Inc.	\$1,983,032.93
Peter's Excavating Inc.	\$1,983,796.40
O'Hara Trucking and Excavating	\$2,020,807.00
Demar Construction Inc.	\$2,173,895.35
Wesroc Construction Ltd.	\$2,344,984.50
TOR-EX INC.	\$3,638,999.50

The low bidder, Catalina Excavating Inc. and their subcontractors, have experience completing similar works in other Niagara municipalities. Staff and the Consultant reviewed and evaluated the tender and did not find any errors or discrepancies. Therefore awarding the contract to Catalina Excavating Inc., is being recommended.

The tender included a Contingency Allowance of \$150,000 within the Schedule of Quantities. To ensure total costs, including construction, construction administration, construction inspection, and geotechnical/material testing, fall within our approved budget, staff reviewed the contingency allowance amount and feel it is appropriate to reduce this contingency amount (post-tender) to \$100,000. This reduces Catalina Excavating Inc.'s total bid to \$1,733,881.00 excluding taxes. The reduction in the contingency does not change the order of the bids as the \$50,000 would be deducted from all bidders.

Additionally, the Township's current engineering agreement with the consulting firm, Associated Engineering (Ont) Ltd., only includes the detailed design and contract document / tender process and does not currently include contract administration and inspection services. The firm's proposal, from the public RFP process for these services, back in May of 2023, indicates that the engineering fee for contract administration and inspection would be \$99,990.00 (excluding HST). Given that this project is proceeding to construction, it is recommended that the current engineering agreement with this firm be extended to include the necessary contract administration and construction inspection services.

Based on the adjusted tender bid submitted by Catalina Excavating Inc., the Township's total estimated cost for this project is itemized below:

Construction Cost (Catalina)	\$1,733,881.00
Contract Administration / Inspection	\$ 99,990.00
Geotechnical Construction Testing	\$ 20,000.00
Net HST & Misc. Costs (rounded)	<u>\$ 46,129.00</u>
<b>Total Estimated Project Cost:</b>	<b>\$1,900,000.00</b>

**FINANCIAL IMPLICATIONS:**

The approved 2024 capital budget amounts for this project are summarized below:

<b>Project Description</b>	<b>Budget Amount</b>
Killins St, Barbara St, Brooks Cir Water main Replacement	\$800,000.00
Killins St, Barbara St, Brooks Cir Road Resurfacing	\$1,100,000.00
<b>Total Original Budget</b>	<b>\$1,900,000.00</b>

The total estimated project cost is within the approved budget of \$1,900,000.00 for this watermain replacement and road reconstruction project. The estimated cost per asset type, based on the bid submission by the low bidder is shown in Schedule B, and did not align with the approved budget amount for each asset type. Therefore, in order to better reflect the cost of each project asset, Council is asked to approve Budget Amendment BA2024-03. This Budget Amendment reallocates budgeted expenditure and funding amounts from the roads reconstruction project budget, to the water main project budget and sidewalk project budget along Barbara St. and Killins St. Further details can be found in Schedule C.

This sidewalk project was not originally budgeted for, as the detail design was not yet completed before approval of the 2024 capital budget, and staff expected resistance for this new sidewalk from local homeowners during the P.I.C. in February 2024. Given no resistance was encountered from residents, the sidewalk construction is moving forward.

It is important to note that the budget amendment, as reflected in Schedule C, is not a request for additional funds; It is simply reallocating the approved budgetary funding to reflect the estimated construction costs of each asset type and project budget, based on the tender results.

**INTER-DEPARTMENTAL COMMENTS:**

This report was reviewed by the Acting Director of Finance, CAO, and the Clerks Department.

**CONCLUSION:**

In summary, Staff recommends this contract be awarded to the low bidder, Catalina Excavating Inc., at their adjusted bid price of \$1,733,881.00 (plus HST), and the current engineering agreement with Associated Engineering (Ont) Ltd., be extended to include the required contract administration and inspection services for \$99,990.00 (plus HST).

Staff further recommends that Budget Amendment BA2024-03 be approved to reallocate funding from the road reconstruction project budget to the water main and sidewalk project budgets, and that a by-law be passed to authorize the Mayor and Clerk to enter into an agreement with Catalina Excavating Inc. for the Barbara St., Brooks Circ., & Killins St. Water main Replacement & Road Reconstruction project as outlined above.

**SCHEDULES:**

**Schedule A – Key Plan**

**Schedule B – Prorated Asset Splits**

**Schedule C – Impact to Budget - Budget Amendment BA2024-03**

**Prepared by:**



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**Ray Vachon, C.E.T.**

Project Manager

**Submitted by:**



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**Mike DiPaola, P. Eng.**

Director of Public Works & Recreation

**Approved by:**



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**Donna DeFilippis, CPA, CA**

Interim CAO/Treasurer