

May 9, 2018

Report To: Mayor and Council

From: Travis Rob, Manager of Operations and Facilities

RE: Award of Tender 18-OF-03 – 2018 Roadworks

During the week of March 31, 2018, the Town advertised for a Tender Call for the reconstruction of the Mill Road Overpass and various sanitary and water works with the tender closing on Tuesday, May 1, 2018. Advertisements were placed in the Fort Frances Times, Chronicle Journal, Thunder Bay Construction Association, Winnipeg Construction Association and on the Town of Fort Frances website.

Four (4) tender packages were distributed to construction contractors and/or suppliers with three (3) Contractors submitting tender bids;

Contractor	Price (HST Included plus \$150,000.00 Contingency Allowance)
Tom Veert Contracting Ltd.	\$3,532,350.61
Bay City Contractors Inc.	\$3,425,924.96
Makkinga Contracting & Equipment Rentals	\$3,406,305.90

The works tendered consisted of six (6) individual projects to be completed in 2018 and 2019. Of those six, two were service installations for private new development. The projects are as follows:

2018 Construction Program

1. Reconstruction of the Mill Road Overpass

Full recondition of the Mill Road Overpass Structure including the replacement of expansion joints, asphalt surface, storm sewer and concrete repairs. Full replacement of watermain, storm sewer, landscaping, road surface for the approaches from Elizabeth Street to Lake Road.

2. Watermain Looping on Frenette Avenue from First Street to Second Street

Installation of a new water main along Frenette Avenue between First Street and Second Street to address a long dead end main and improve water quality and fire flows in this area.

3. Sanitary Sewer Improvements – Church Street and Minnie Avenue Area

Installation of new manholes and sanitary valves in the Church Street and Minnie Avenue area to improve the operations of the sanitary system in this area as a result of the 2018 Sanitary Sewer System Investigation.

4. Fire Hydrant and Valve Replacement (Various Locations)

Replacement of non-operational hydrant and valve sets in various locations around town.

5. Water and Sewer Service Installations (Kings Highway and Minnie Avenue)

Installation of new sewer and water services for a new development on both Minnie Avenue and a water service installation on Kings Highway by directional drill, both are at the developers cost.

2019 Construction Program

6. Surface Coarse paving of Mill Road

Installation of the Surface Coarse paving on the Mill Road Overpass and approaches from Elizabeth Street to Lake Road including line painting.

The 2018 work is scheduled to begin ASAP in May and to be completed by October 19, 2018 with the 2019 work to be completed by July 2019.

In accordance with the Town's procurement policy, Administration has an obligation to point out to Council any tender irregularities. There were no mathematical errors in the tender submissions. **See Spreadsheet No. 1**, which outlines details on the two (2) tender bids received and the associated costs for each individual project. Also, highlighted in "green" indicates the lowest unit bid price and "red" indicates the highest unit bid price. The private works are highlighted in "purple" and the 2019 works are shown in "blue" text.

The low tender bid was Makkinga Contracting and Equipment Rentals with a total cost of \$3,406,305.90 which includes a \$150,000 contingency allowance and HST. Please review the attached **Spreadsheet No. 2** - outlining the Council approved 2018 capital budget for each project vs. the lowest tender bid from Bay City Contractors plus Hatch engineering costs (10%). Some provisional items were removed from the contract due to budget shortfalls or a change in scope, namely a reduction in hydrant and valve replacements to four (4) each and a removal of private storm sewer service installations.

It is estimated the capital budget surplus is \$43,663.55 for 2018. It should be clearly stated that the \$150,000 contingency allowance for the 2018 portion of the work has **NOT** been factored into the calculations for the projected budget deficit, however the private works portions and associated allocations have been removed.

Please find attached a letter report from Hatch recommending that Makkinga Contracting and Equipment Rentals be awarded this tender as they are the low tender and, in the past, have performed well on similar projects in our community.

It is recommended by Administration that the following be approved:

- That Tender 18-OF-03 – 2018 - Road Reconstruction, Watermain and Sewer Replacement be awarded to 1876118 Ontario Limited operating as Makkinga Contracting and Equipment Rentals, at an estimated cost of \$3,348,110.90 which includes HST and a contingency allowance of \$150,000.00.
- That Letters of undertaking be signed by the property owners requesting private works tendered prior to undertaking any of the works.
- That in the near future an open house public meeting is scheduled to ensure all property owners abutting the construction projects obtain first-hand knowledge on these projects and have the opportunity to ask any questions. The exact date of the meeting is unknown at the time of writing this report.

- That the Mayor and Clerk be authorized to execute the contract documents on behalf of the Corporation of the Town of Fort Frances.

Respectfully Submitted



Travis Rob, P.Eng.

Manager of Operations and Facilities

Council approval of this report will ensure:

- **That Tender 18-OF-03 – 2018 - Road Reconstruction, Watermain and Sewer Replacement be awarded to 1876118 Ontario Limited operating as Makkinga Contracting and Equipment Rentals, at an estimated cost of \$3,348,110.90 which includes HST and a contingency allowance of \$150,000.00.**
- **That Letters of undertaking be signed by the property owners requesting private works tendered prior to undertaking any of the works.**
- **That in the near future an open house public meeting is scheduled to ensure all property owners abutting the construction projects obtain first-hand knowledge on these projects and have the opportunity to ask any questions. The exact date of the meeting is unknown at the time of writing this report.**
- **That the Mayor and Clerk be authorized to execute the contract documents on behalf of the Corporation of the Town of Fort Frances.**