

April 11, 2022

Report To: Mayor and Council

From: Travis Rob, Manager of Operations and Facilities

**RE: Award of Tender 2022-OF-06 – 2022 Mowat Avenue Road Reconstruction**

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During the week of March 10, 2022, the Town advertised for a Tender Call for the first of the 2022 Roadway Reconstruction being the reconstruction of Mowat Avenue from Scott Street to Second Street, and various water valves and hydrants with the tender closing on Tuesday, April 5, 2022.

Advertisements were placed in the Fort Frances Times, Chronicle Journal, Thunder Bay Construction Association, and Winnipeg Construction Association.

Four (4) Contractors submitted tender bids;

<b>Contractor</b>	<b>Price (HST Included plus \$150,000.00 Contingency Allowance)</b>
Tom Veert Contracting	\$2,742,275.98
George Armstrong Company	\$2,578,688.25
Makkinga Contracting	\$2,309,361.79
Bay City Contracting	\$2,098,981.78

The works tendered consisted of two (2) individual projects to be completed in 2022, and one in 2023. The projects are as follows:

**2022 Construction Program**

**1. Reconstruction of Mowat Avenue from Scott Street to Second Street**

Full recondition of Mowat Avenue including the replacement of sanitary sewer main, watermain, asphalt surface, storm sewer and landscaping including the reconstruction of the concrete sidewalk along the road.

**2. Fire Hydrant and Valve Replacement (Various Locations)**

Replacement of problem hydrant and valve sets in various locations around town.

**2023 Construction Program**

**3. Surface Coarse paving of Mowat Avenue**

Installation of the Surface Coarse paving on Mowat Avenue from Scott Street to Second Street including line painting.

The 2022 work is scheduled to begin ASAP in May and to be completed by October 28, 2022.

In accordance with the Town's procurement policy, Administration has an obligation to point out to Council any tender irregularities. All tenders submitted were complete and compliant. **See Spreadsheet No. 1**, which outlines details on the four (4) 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 and the 2023 works are shown in "blue" text.

The low bid received does result in a substantial savings from the originally budgeted costs for this project being \$2,939,887.69 funded by Federal Gas Tax (\$1,143,500) and Ontario Community Infrastructure Fund (OCIF) (\$1,304,888.10) and Northern Ontario Resource Development Stream Funding (\$188,313.95). Spreadsheet #2 outlines the funding for the project as tendered. It is the intent of Administration to allocate additional OCIF Funds to the reconstruction of Mowat portion of the works to allocate the savings to the replacement of valves and hydrants such that all 6 hydrants and 6 valves can be replaced in this season. In addition to this there would still be a funding surplus of 2022 OCIF funds of \$1,054,828.60. Administration recommends that the OCIF funds be allocated to fund the reconstruction of Sinclair Street in the event that the Town is unsuccessful in their Investing in Canada Infrastructure Program Green Stream application, otherwise the funds be placed in an OCIF reserve for use in later years. Under our funding agreement, funds can be placed in a reserve for a maximum of five (5) years.

The low tender bid was Bay City Contracting with a total cost of \$2,098,981.78 which includes a \$150,000 contingency allowance spread over the two years and HST. Please review the attached **Spreadsheet No. 2** - outlining the 2022 capital budget allocations for each project vs. the lowest tender bid from Bay City Contractors plus Hatch engineering costs (10%) and all funding allocations.

Please find attached a letter report from Hatch recommending that Bay City Contractors 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 22-OF-06 – 2022 Road Reconstruction Mowat Avenue, Hydrant and Valve Replacement be awarded to Bay City Contractors at an estimated cost of \$2,098,981.78 which includes HST and a contingency allowance of \$150,000.00.
- That the Ontario Community Infrastructure Fund surplus be allocated to the Reconstruction of Sinclair Avenue in the event that the Town's application to the Investing in Canada Infrastructure Fund Green Stream be denied, otherwise the funds be placed in a reserve fund for future projects.
- That prior to construction start, an open house public meeting is scheduled to ensure all property owners abutting the construction projects obtain first-hand knowledge of 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, and
- 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

A handwritten signature in black ink, appearing to read 'Travis Rob', with a stylized flourish at the end.

Travis Rob, P.Eng.  
Manager of Operations and Facilities

**Council approval of this report will ensure:**

- **That Tender 22-OF-06 – 2022 Road Reconstruction Mowat Avenue, Hydrant and Valve Replacement be awarded to Bay City Contractors at an estimated cost of \$2,098,981.78 which includes HST and a contingency allowance of \$150,000.00.**
- **That the Ontario Community Infrastructure Fund surplus be allocated to the Reconstruction of Sinclair Avenue in the event that the Town's application to the Investing in Canada Infrastructure Fund Green Stream be denied, otherwise the funds be placed in a reserve fund for future projects.**
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- **That the Mayor and Clerk be authorized to execute the contract documents on behalf of the Corporation of the Town of Fort Frances.**