**Subject:** Award of Tender 2019-T-157 Reconstruction of Regional Road 38 (Martindale Road) from Fourth Avenue to Barton Street, in the City of St. Catharines.

**Report to:** Public Works Committee

**Report date:** Tuesday, June 11, 2019

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**Recommendations**

That Contract 2019-T-157 (RN19-57) Reconstruction of Regional Road 38 (Martindale Road) From Fourth Avenue to Barton Street, in the City of St. Catharines, **BE AWARDED** to Rankin Construction Inc. at their bid price of $10,336,851.65 (including 13% HST).

**Key Facts**

- The purpose of this report is to seek Council approval on the award of Tender 2019-T-157 (RN19-57) Reconstruction of Regional Road 38 (Martindale Road) from Fourth Avenue to Barton Street, in the City of St. Catharines, to the low bidder Rankin Construction Inc. See Appendix 1 Key Plan for reference.
- $16,100,000 has been approved in the 2019 Capital Budget, for the Transportation Division under project 10RC0627 for Phase 2.
- This is Phase 2 of 2 for Regional Road 38 (Martindale Road). Phase 1 road reconstruction was completed in 2018.
- The proposed work is required to address capacity constraints and road condition of the existing road. This contract includes a new Bridge Structure over Highway 406, Rehabilitation of the existing structure over Highway 406, widening the road to a 3 lane cross section, new bike lanes, replacement traffic signals, new sidewalk, roadway illumination and storm sewer improvements.
- The Purchasing and Execution Authority of the Niagara Region’s Procurement By-law states that the purchasing authority for competitive bid processes over $5,000,000 is Council, which includes a Contract Award greater then $5,000,000.

**Financial Considerations**

Council approved the 2019 Capital Budget for the Transportation Division including the Reconstruction of Regional Road 38 (Martindale Rd) from Fourth Ave. to Barton St., in the City of St. Catharines. This budget includes construction, contract administration and inspection, internal staff time and contingency under project 10RC0627 in the amount of $16,100,000. This project included prior approved funding of $12,016,359 to cover the costs of Phase 1 construction, construction administration and inspection,
detailed design, geotechnical investigations, property acquisitions and utility relocations. The majority of these funds have been expended or committed.

The total project budget for these proposed works is $28,116,359.

The 2019 budget currently in place for Phase 2 of this project includes the Niagara Region’s share of $14,100,000 and the Municipal and Provincial cost share of $2,000,000.

The tender award cost sharing (including 1.76% non-refundable HST) is as follows, Niagara Region’s share of $7,937,232, The City of St. Catharines’ share of $571,737 and The Ministry of Transportation of Ontario share of $826,702, totaling $9,335,671.

A full budget breakdown can be found in Appendix 2 – Total Estimated Project Costs. Regional staff will be completing a budget reduction on project 10RC0627, to address the budget remaining from this project.

Analysis

Regional Road 38 (Martindale Rd) is a major arterial road connecting Regional Road 87 (Main St. in Port Dalhousie) to Regional Road 77 (Fourth Ave.), in the City of St. Catharines.

The reconstruction of Regional Road 38 (Martindale Rd) (Phase 1 and 2) was subject to a Municipal Class, Schedule “C” Environmental Assessment. As part of this process two (2) Public Information Centres were held in 2012 and one 2013. There was also a fourth Public Information Centre held in the fall of 2016. The fourth Public Information Centre was held specifically to inform the public of the proposed upcoming construction, utility relocations and property acquisitions relating to Phase 1. Niagara Region also held a Public Information Centre on April 24, 2019, to inform the public of the Phase 2 construction.

Extensive utility relocations and property acquisitions have been completed to support this construction project. Phase 1 of construction (South Service Rd. to Barton St.) was completed in 2018.

Under the guidance of Niagara Region’s Procurement Division, the Niagara Region advertised for Tender Call on Thursday, April 11, 2019. Two (2) tenders were received and publicly opened on Thursday, May 9, 2019. Niagara Region’s Procurement Department has reviewed and checked all the tenders received. All tenders included Addendum No. 1 and 2 and all tender submitted the necessary tender deposit and Agreement to Bond. The total tendered amounts (excluding HST) are listed below in ascending order:
Rankin Construction Inc. $9,174,205.00
Innovative Civil Constructors Inc. $11,187,194.96

Our consultant Wood Environment and Infrastructure has advised that the tendered unit prices submitted by the low bidder, Rankin Construction Inc., are competitive and compare favorably with the Niagara Region’s estimate. Staff therefore recommend that the low tender submitted by Rankin Construction Inc. be accepted.

**Alternatives Reviewed**

No alternatives were reviewed. If this project does not proceed the road condition will continue to deteriorate and the capacity issues will only increase.

Niagara Region also coordinated this Project with the Ministry of Transportation of Ontario and together have collaborated on aligning capital budgets.

Niagara Region received favourable pricing for this proposed works, and has sufficient budget to award this contract.

**Relationship to Council Strategic Priorities**

Improving capacity and addressing road conditions is an essential part of maintaining Niagara Region’s road network and this vital program is very closely tied to strategic priority 1 “Moving people and goods”. This road section is a major commercial corridor and with the increased capacity and condition this will assist the Region with strategic priority 4 “Positioning Niagara Globally”. Region Staff have put forward considerable effort to ensure a timely project to mitigate the impact on the public.

**Other Pertinent Reports**

n/a
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