
Subject: Award of Contract 2019-T-210 Road Reconstruction of Regional Road 20 (West Street & St. Catharines Street), in the Township of West Lincoln

Report to: Public Works Committee

Report date: Tuesday, September 10, 2019

Recommendations

1. That Contract 2019-T-210 – Reconstruction of Regional Road 20 (West Street and St. Catharines Street) between South Grimsby Road 6 and Townline Road, in the Township of West Lincoln, **BE AWARDED** to Rankin Construction Inc., at their bid price of \$8,172,651.55 (including 13% HST); and
2. That the Gross Budget for – Phase 3 Roundabout at RR20 and South Grimsby Road 6 **BE INCREASED** by \$1,159,863.21 and that the increase **BE FUNDED** from the Capital Variance (CV) Reserve – Levy Project for \$900,000.00 and from Federal Gas Tax for \$259,863.21.

Key Facts

- The purpose of this report is to seek Council approval for an increase to the gross budget for project 20000141 (Phase 3 – Roundabout at RR20 and South Grimsby Road 6) and to approve the Tender Award of Contract 2019-T-210, to Rankin Construction Inc.
- 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 than \$5,000,000.
- The award of Tender comprises Phases 2 & 3 for the Regional Road 20 reconstruction program. See Appendix 1 for Staging of Works and Appendix 2 for Key Mapping.
- A public tender process was initiated and a total of three (3) bids were received with the lowest bid being \$7,232,435 (excluding 13% HST).
- A total of \$8,242,528 has been collectively approved in previous Capital Budgets for Phases 2 and 3: \$3,690,548 for project 20000681 (Phase 2 – Roundabout at RR20 and Townline Road) and \$4,551,980 for project 20000141 (Phase 3 – Roundabout at RR20 and South Grimsby Road 6).
- The increased project cost is due to design changes to accommodate utility relocates, property acquisition and contaminated materials within the roadway.

Financial Considerations

Council previously approved a budget of \$7,400,000, collectively, for Reconstruction of Regional Road 20 in the Township of West Lincoln: \$3,600,000 for project 20000681 (Phase 2); and \$3,800,000 for project 20000141 (Phase 3). This collective budget included funding for property acquisition, utility relocation, construction, contract administration and inspection, construction testing, internal staff time, contingency and the Township of West Lincoln's cost share of \$200,000.

A gross budget adjustment for \$842,528 was recently processed reflecting an increase in the Township of West Lincoln's cost sharing contribution from \$200,000 to \$1,042,528, thereby increasing the overall project budgets from \$7,400,000 to \$8,242,528 for additional works requested by the Township of West Lincoln; \$90,548 to Phase 2 and \$751,980 to Phase 3. The Township of West Lincoln has confirmed their agreement to the cost sharing of their contribution.

When reconciling the overall project costs to-date with the construction tender costs, changes in the design to accommodate utility relocates, property acquisition, contaminated materials within the roadway, a budget increase of \$700,000 is required to increase the total combined project budgets from \$8,242,528 to \$8,942,528. This will be achieved by funding from the Capital Variance – Levy Project in the amount of \$900,000 and Federal Gas Tax of \$259,863 to project 20000141 (Phase 3) – totalling \$1,159,863. A return of funds to the Capital Variance – Levy Project of \$200,000 and return of \$259,863 to Federal Gas Tax from project 20000681 (Phase 2) – totalling \$459,863, will partially offset the gross budget increase requested to project 20000141 (Phase 3).

Appendix 3 shows the breakdown of the associated costs with each Phase of the project with a total net budget increase of \$700,000 overall between the two projects.

It should be noted that from January 1, 2019 to July 24, 2019, Transportation Services division has returned \$4,980,834 to Capital Variance – Levy Project and requested \$1,609,414 from Capital Variance – Levy Project resulting in a net return of \$3,371,420 to the Capital Variance - Levy Project. At August 15, 2019, the Capital Variance - Levy Project has an uncommitted balance of \$1,285,420.

The total gross budget between both projects (Phase 2 and Phase 3) if this budget increase request is approved will be allocated between the Region and Township of West Lincoln as follows:

- Region's Transportation share is \$7,900,000;
- Township of West Lincoln's share of \$1,042,528.

A full budget breakdown can be found in Appendix 3 Total Estimated Project Cost.

Analysis

Regional Road 20 is a major arterial road connecting the most easterly municipality of Niagara Falls through to the westerly limit of Hamilton with a portion of this roadway passing directly through the Township of West Lincoln.

The reconstruction of Regional Road 20 (West Street and St. Catharines Street) has been subject to a Municipal Class, Schedule "C" Environmental Assessment which was completed and filed in March, 2016. As part of that process three (3) Public Information Centers were held. There was also a fourth Public Information Centre held in April of 2019. The fourth Public Information Centre was held to inform the public of the proposed construction, utility relocations and property acquisitions. This Public Information Centre was held prior to the commencement of utility relocations.

Extensive utility relocations are anticipated within the coming months, which is reliant upon the acquisition of the properties, with the majority of the property acquisitions in the final stages of acquisition.

The proposed improvements for Regional Road 20 (West Street and St. Catharines Street) include the construction of two (2) roundabouts, one at South Grimsby Road 6, which will include the urbanization of the remaining section of the roadway towards the easterly limit of South Grimsby Road 5 (Phase 3). The other roundabout is being constructed at Townline Road with roadway improvements northerly to Industrial Park Drive (Phase 2). Additional works to be completed as part of this project are the installation of traffic signals at West Street and Griffin Street, including road improvements, sidewalk upgrades and the installation of a parkette at Griffin Street to be funded by the Township. Additional works requested by the Township and included within this contract are: the construction of a Parkette at Brock Street; upgrades to the landscaping within the roundabouts; upgraded decorative street lighting; and sidewalk upgrades on West Street between Griffin Street and the Township's new Multi-use Recreational Site.

Under the guidance of the Region's Procurement Department, Niagara Region advertised for Tender Call on June 20, 2019. Three (3) tenders were received and publicly opened on July 18, 2019. The Region's Procurement department has reviewed all of the tender submissions. All three (3) tenders included Addendums 1 & 2 and all three (3) submitted the necessary tender deposit and Agreement to Bond. There was one (1) mathematical error found in one (1) bid which had no bearing on the lowest bid received.

The total tendered amounts (before HST) are listed below in ascending order:

Contractor	Bid Price Received (excluding HST)	Corrected Amount (excluding HST)
Brennan Paving – Niagara, a division of Brennan Paving & Construction Ltd.	\$8,113,640.00	\$8,101,040.00
Norjohn Contracting & Paving Ltd.	\$7,270,685.00	\$7,270,685.00
Rankin Construction Inc.	\$7,232,435.00	\$7,232,435.00

Niagara Region's consultant, Associated Engineering (Ont) Ltd., has advised that the tendered unit prices submitted by the low bidder, Rankin Construction Inc., are competitive. Staff therefore recommend that the low bid as submitted by Rankin Construction Inc., be accepted.

Alternatives Reviewed

Cancelling this tender was considered as an alternative. However, due to this being a priority partnership project with sensitive funding associated with the Township of West Lincoln's portion of the project, it is not being recommended.

From a technical perspective, if this project does not proceed, the road condition will continue to deteriorate and the capacity issues will only increase.

Relationship to Council Strategic Priorities

Improving capacity and addressing road condition is an essential part of maintaining the Region's road network and this vital program is 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.

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Acting Commissioner
Public Works Department

Submitted by:

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Acting Chief Administrative Officer

This report was prepared in consultation with Frank Tassone, Associate Director Transportation Engineering and Brian McMahon, Program Financial Specialist, and reviewed by Carolyn Ryall, Director Transportation Services.

Appendices

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Staging of Works

Contract 2019-T-210 Road Reconstruction of Regional Road 20 (West Street & St. Catharines Street), Between South Grimsby Road 6 & Townline Road in the Township of West Lincoln

The works for this project shall be performed over three (3) stages which span 2019 and 2020. An anticipated start to construction is October 7, 2019. A completion date of December 20, 2019 is targeted for all Stage 1 works (not limited to the Summary of Tasks as noted below).

Stage 1 works including base asphalt in roadways; all works within the Smithville Square Parkette have a mandatory completion date of December 20, 2019 including top asphalt.



The remainder of the works in the contract shall be completed by October 31, 2020 notwithstanding the Staging noted.

The stages and description for each is outlined below:

STAGE	DESCRIPTION	SUMMARY OF TASKS
Stage 1	Work to be performed in 2019	Construction of Smithville Square Parkette and gateway feature.
		Road reconstruction of RR20 (West Street) and RR14 (Station Street) intersection & portion of RR14. Inclusive of installation of traffic signal and parkette on the south-west corner. Exclusive of top asphalt.
Stage 2	Work to be performed in Spring 2020.	Road resurfacing and roadside improvements of RR20 (St. Catharines Street) between Industrial Park Road and Townline Road. Inclusive of installation of infrastructure for future traffic signal at Industrial Park Road.
		Road reconstruction of RR20 (St. Catharines Street) at Townline Road intersection. Inclusive of installation of roundabout.
Stage 3	Work to be performed in Summer 2020.	Road resurfacing and roadside improvements including sidewalk works on RR20 (West Street) between Wade Street and Station Street.
		Road reconstruction of RR20 (West Street) between South Grimsby Road 6 and South Grimsby Road 5. Inclusive of installation of roundabout.



LEGEND

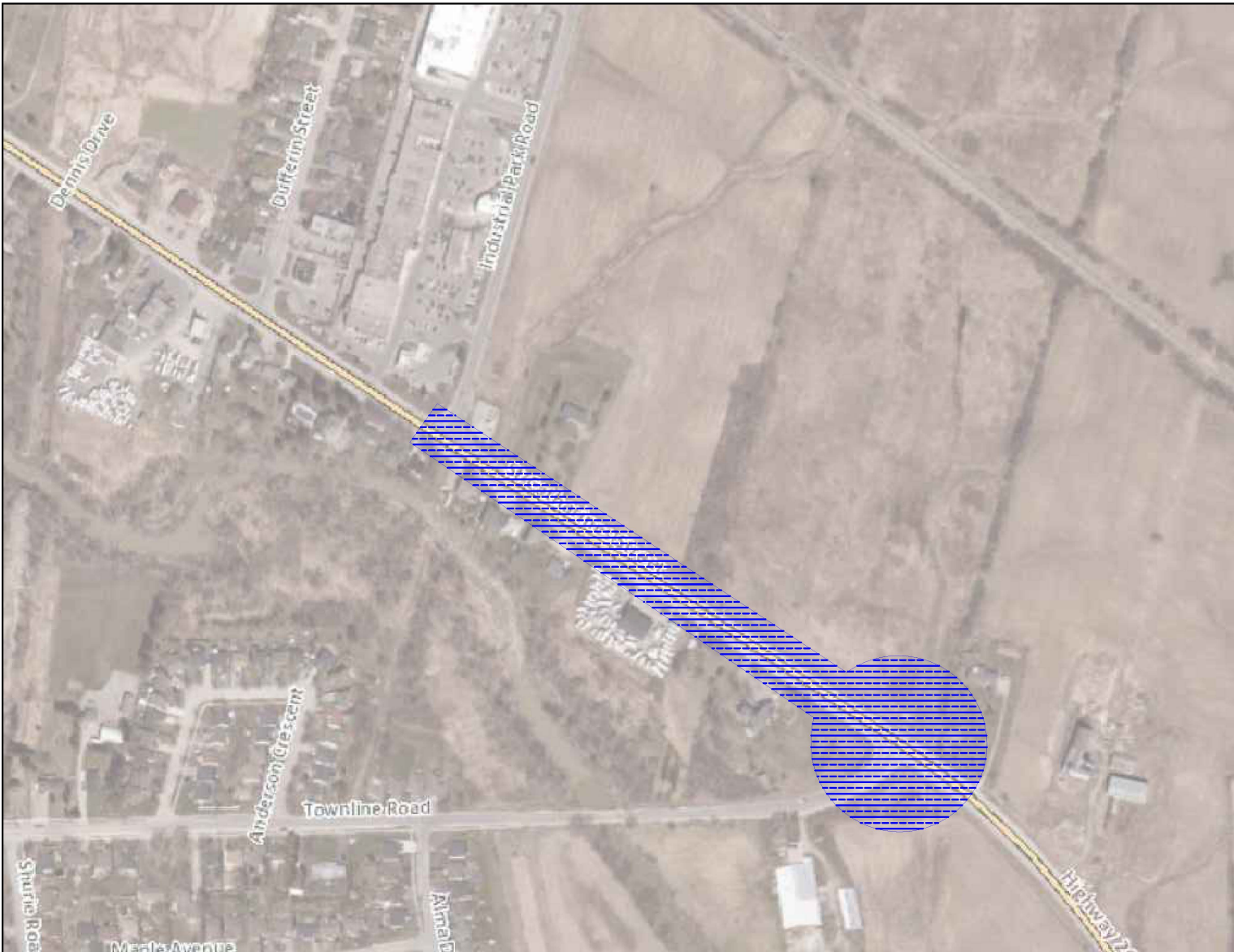
-  Stage 1 Construction
Completion
December 20, 2019
-  Stage 3 Construction
Completion
October 31, 2020

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Key Map

Construction Staging

Contract 2019-T-210 Road Reconstruction of Regional Road 20 (West Street & St. Catharines Street)
Between South Grimsby Road 6 & Townline Road
in the Township of West Lincoln



LEGEND



Stage 2 Construction
Completion
October 31, 2020

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Key Map

Construction Staging

Contract 2019-T-210 Road Reconstruction of Regional Road 20 (West Street & St. Catharines Street)
Between South Grimsby Road 6 & Townline Road
in the Township of West Lincoln

**PW 49-2019 APPENDIX 3
Total Estimated Project Cost
Contract Award**

Contract 2019-T-210 Road Reconstruction of Regional Road 20 (West Street & St. Catharines Street), Between South Grimsby Road 6 & Townline Road, in the Township of West Lincoln

	Council Approved Budget	Budget Increase/ Reallocation	Revised Council Approved Budget	Expended & Committed as of 08/20/19	Contract Award/ Forecast	Budget Remaining
	(A)	(B)	(C) = (A)+(B)	(D)	(E)	(F) = (C)-(D)-(E)
<u>Total Estimated Project Cost (20000141)* (Roundabout at RR20 and South Grimsby Rd 6) - Phase 3</u>						
(a) Construction**						
i. Regional portion**	3,250,000	695,101	3,945,101		3,945,101	-
ii. Cost Sharing - Township of West Lincoln**	701,481		701,481		701,481	-
(b) Project Contingency	30,000	(30,000)	-		-	-
(c) Property Acquisition	200,000	(10,000)	190,000		190,000	-
(d) Consulting Engineering Services						
i. Detailed Design	290,000		290,000	279,841	10,159	-
ii. Contract Administration & Inspection		5,000	5,000		5,000	-
ii. Geotechnical Service-Quality Control		25,000	25,000		25,000	-
(e) Project Management (In-House) and Operations						
i. Contract Administration & Inspection (In-House)	30,000	46,715	76,715	4,331	72,384	-
(f) Traffic Signals and Signs						
i. Regional portion		48,047	48,047		48,047	-
ii. Cost Sharing - Township of West Lincoln						
(g) Utility Relocation		380,000	380,000		380,000	-
(h) Miscellaneous						
i. Regional portion						
ii. Cost Sharing - Township of West Lincoln	50,498		50,498		50,498	-
Total Estimated Project Cost (20000141)	4,551,980	1,159,863	5,711,843	284,171	5,427,672	-
<u>Total Estimated Project Cost (20000681)* (Roundabout at RR20 and Townline Road) - Phase 2</u>						
(a) Construction**						
i. Regional portion**	2,700,000	(230,165)	2,469,835		2,469,835	-
ii. Cost Sharing - Township of West Lincoln**	243,309		243,309		243,309	-
(b) Project Contingency	270,000	(270,000)	-		-	-
(c) Property Acquisition		60,000	60,000	141	59,859	-
(d) Consulting Engineering Services						
i. Detailed Design						
ii. Contract Administration & Inspection		5,000	5,000		5,000	-
ii. Geotechnical Service-Quality Control		25,000	25,000		25,000	-
(e) Project Management (In-House) and Operations						
i. Contract Administration & Inspection (In-House)	230,000	(157,196)	72,804	380	72,424	-
(f) Traffic Signals and Signs						
i. Regional portion	200,000	(41,478)	158,522		158,522	-
ii. Cost Sharing - Township of West Lincoln	29,994		29,994		29,994	-
(g) Utility Relocation		120,000	120,000		120,000	-
(h) Miscellaneous						
i. Regional portion		28,976	28,976		28,976	-
ii. Cost Sharing - Township of West Lincoln	17,246		17,246		17,246	-
Total Estimated Project Cost (20000681)	3,690,548	(459,863)	3,230,685	521	3,230,164	-
Total Estimated Project Cost Combined	8,242,528	700,000	8,942,528	284,692	8,657,835	-
<u>Total Estimated Project Funding Sources (20000141)* (Roundabout at RR20 and South Grimsby Rd 6) - Phase 3</u>						
Capital Levy	(1,225,000)		(1,225,000)	(1,225,000)	-	-
Capital Variance Project - Levy		(900,000)	(900,000)		(900,000)	-
Federal Gas Tax	(2,500,000)	(259,863)	(2,759,863)	(98,341)	(2,661,523)	-
Municipal Cost Sharing - Township of West Lincoln	(751,980)		(751,980)		(751,980)	-
Development Charges	(75,000)		(75,000)	(2,065)	(72,935)	-
	(4,551,980)	(1,159,863)	(5,711,843)	(1,325,406)	(4,386,437)	-
<u>Total Estimated Project Funding Sources (20000681)* (Roundabout at RR20 and Townline Road) - Phase 2</u>						
Capital Levy	(400,000)		(400,000)	(400,000)	-	-
Capital Variance Project - Levy		200,000	200,000		200,000	-
Federal Gas Tax	(3,000,000)	259,863	(2,740,137)		(2,740,137)	-
Municipal Cost Sharing - Township of West Lincoln	(290,548)		(290,548)		(290,548)	-
Development Charges			-		-	-
	(3,690,548)	459,863	(3,230,685)	(400,000)	(2,830,685)	-
Total Estimated Project Funding Sources Combined	(8,242,528)	(700,000)	(8,942,528)	(1,725,406)	(7,217,122)	-

* All costs include 1.76% non-refundable HST.

** Total Contract Cost includes both Regional and Municipal cost sharing amounts.

** Total Contract Award is equal to i) \$7,232,435.00 before tax; ii) \$7,359,725.86 including 1.76% non-refundable HST; iii) \$8,172,651.55 including 13% HST.