



Staff Report

Report To: Rebekah Msuya-Collison, Chief Administrative Officer/Deputy Clerk

From: **Don Giberson, General Manager of Infrastructure & Development**

Date: March 18 2024

Report: ESD08-2024

Subject: Tender Results for Main Street North Reconstruction, Ausable River to Walper Street – Amendment to Budget

Recommendations:

That South Huron Council receive the report from Don Giberson, General Manager of Infrastructure and Development re: Tender Results for Main Street North Reconstruction, Ausable River to Walper Street; and

That South Huron Council accept the tender received from Lavis Contracting Co. Ltd. and authorize award of a contract for the Main Street North Reconstruction, Ausable River to Walper Street, in the amount of \$6,364,900.41 (including HST).

That South Huron Council approves an "Amendment to the Budget" to increase the 2024 Capital Budget for the Main Street North Reconstruction, Ausable River to Walper Street from \$4,517,891 to \$4,838,240 and

That South Huron Council authorize the transfer of \$433,958 from the Transportation Services Capital Replacement Reserve to fund the additional tendered costs.

Purpose:

The purpose of this report is to notify Council of the tender results for the Main Street North Reconstruction, a MTO Connecting Link funded project, and to recommend award of a contract to the lowest bidder.

Background and Analysis:

The tender for Main Street North Reconstruction, Ausable River to Walper Street was posted on Bids & Tenders on February 7, 2024.

The tender closed on March 6, 2024, at 2:00pm and five (5) tenders were received. This was a digital tender submission; the tender opening was virtual via Zoom; and the proceedings were recorded for transparency.

After the prescribed closing time, all tenders were downloaded from Bids&tenders secure website and opened by Financial Analyst, Erin Moore. The tender opening was witnessed virtually via. Zoom utilizing screen sharing, by Mayor, George Finch; Julia Warwick, Director of Financial Services/Treasurer; Shane Timmermans, Manager of Transportation Services, Alyssa Keller, Manager of Environmental Services, and Dennis Elliott, BM Ross Engineers.

The following are the tender results:

Tenders "As Received"				
	Contractor	Price (Excluding HST)	HST	Total Cost (Including HST)
1	Lavis Contracting Co. Limited	\$5,638,095.23	\$732,952.38	\$6,371,047.61
2	Blue-Con Construction	\$5,765,486.73	\$749,513.27	\$6,515,000.00
3	Van Bree Drainage and Bulldozing Ltd	\$6,162,716.58	\$801,153.16	\$6,963,869.74
4	Omega Contractors	\$6,165,023.94	\$801,453.11	\$6,966,477.05
5	Birnam Excavating Ltd	\$6,299,391.24	\$818,920.86	\$7,118,312.10

Tenders "Corrected"					
	Contractor	Price (Excluding HST)	HST	Total Cost (Including HST)	
1	Lavis Contracting Co. Limited	\$5,632,655.23	\$732,245.18	\$6,364,900.41	*
2	Blue-Con Construction	\$5,765,486.73	\$749,513.27	\$6,515,000.00	
3	Van Bree Drainage and Bulldozing Ltd	\$6,162,716.58	\$801,153.16	\$6,963,869.74	
4	Omega Contractors	\$6,171,596.15	\$802,307.50	\$6,973,903.65	*
5	Birnam Excavating Ltd	\$6,299,391.30	\$818,920.87	\$7,118,312.17	*

*Indicates Tenders that contained mathematical errors

Tenders were reviewed for completeness, mathematical errors, omissions, receipt of Addendums, and conformance with contract documents. All Tenders were submitted with a proper Bid Bond and Agreement to Bond.

Tenders received from Lavis, Omega, and Birnam contained minor mathematical errors. However, these errors did not change the bidders' ranking, and all were considered compliant bids. In accordance with Procurement By-law #03-2024, these irregularities are considered minor, and tenders are acceptable with the corrected total tender price.

Staff recommend that the tender received from the lowest bidder, Lavis Contracting Co. Limited be accepted.

Operational Considerations:

No alternatives were considered.

Financial Impact:

A financial analysis of the tender received from the lowest compliant bidder was carried out and is summarized as follows:

2024 Reconstruction (Ausable River to Walper)					
	Sanitary	Water	Storm	Roads	TOTAL
Part 1 - 2024 Reconstruction					
Roadwork	\$82,750.89	\$55,167.26	\$0.00	\$2,377,141.40	\$2,515,059.55
Storm Sewers	\$0.00	\$0.00	\$651,985.63	\$0.00	\$651,985.63
Sanitary Sewers	\$586,308.40	\$0.00	\$0.00	\$0.00	\$586,308.40
Watermains	\$0.00	\$649,191.40	\$0.00	\$0.00	\$649,191.40
Provisional Items	\$57,987.50	\$8,180.10	\$7,205.00	\$27,247.40	\$100,620.00
Misc (Incl. \$250,000 Contingency)	\$193,336.89	\$128,891.26	\$161,114.08	\$161,114.08	\$644,456.30
Other Items	\$10,769.50	\$3,996.00	\$20,450.45	\$0.00	\$35,215.95
Electrical Items -Provisional	\$0.00	\$0.00	\$0.00	\$10,412.10	\$10,412.10
Traffic Signal Items	\$0.00	\$0.00	\$0.00	\$45,413.25	\$45,413.25
Pavement Markings	\$0.00	\$0.00	\$0.00	\$18,336.05	\$18,336.05
Subtotal	\$931,153.18	\$845,426.02	\$840,755.16	\$2,639,664.28	\$5,256,998.63
Engineering	\$76,576.20	\$51,050.80	\$63,813.50	\$63,813.50	\$255,254.00
Subtotal	\$1,007,729.38	\$896,476.82	\$904,568.66	\$2,703,477.78	\$5,512,252.63
HST Expense	\$17,736.04	\$15,777.99	\$15,920.41	\$47,581.21	\$97,015.65
Total	\$1,025,465.42	\$912,254.81	\$920,489.06	\$2,751,058.98	\$5,609,268.28
Approved Capital Budgets	\$685,376.00	\$729,120.00	\$662,000.00	\$2,441,395.00	\$4,517,891.00
Huron County Contribution	\$0.00	\$0.00	\$0.00	\$134,194.92	\$134,194.92
Developers Oversizing Contribution	\$382,100.23	\$254,733.48	\$0.00	\$0.00	\$636,833.71
Total Available Funds	\$1,067,476.23	\$983,853.48	\$662,000.00	\$2,575,589.92	\$5,288,919.63
Net Difference	\$42,010.81	\$71,598.67	-\$258,489.06	-\$175,469.06	-\$320,348.64

2025 Budget - Top Asphalt					
Part 2 - 2025 Top Asphalt	Sanitary	Water	Storm	Roads	TOTAL
Roadwork	\$0.00	\$0.00	\$0.00	\$322,374.45	\$322,374.45
Miscellaneous	\$0.00	\$0.00	\$0.00	\$20,050.20	\$20,050.20
Pavement Markings	\$0.00	\$0.00	\$0.00	\$33,231.95	\$33,231.95
Engineering	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00
Subtotal	\$0.00	\$0.00	\$0.00	\$385,656.60	\$385,656.60
HST Expense	\$0.00	\$0.00	\$0.00	\$6,787.56	\$6,787.56
Total	\$0.00	\$0.00	\$0.00	\$392,444.16	\$392,444.16
Proposed Capital Budget	\$0.00	\$0.00	\$0.00	\$525,580.00	\$525,580.00
Total Available Funds	\$0.00	\$0.00	\$0.00	\$525,580.00	\$525,580.00
Net Difference	\$0.00	\$0.00	\$0.00	\$133,135.84	\$133,135.84

The total cost, including engineering and the HST expense, is \$320,348.64 over the total amount approved in the 2024 Capital Budgets for water, sanitary sewers, storm sewers and roads. The tendered costs for water and sanitary sewers are less than the 2024 approved budgets. However, the

2024 levy-based portion of the project (ie. storm sewers & roads) is \$433,958.12 over budget.

It should be noted that the tender includes a \$250,000 Contingency and \$100,000 in Provisional Items, of which 50% is allocated to the levy-based portion of the project. It should also be noted that the tendered costs to complete the top asphalt work in 2025 is estimated at \$133,135.84 less than what was forecasted for 2025 in the proposed 2024 Capital Budget.

Staff recommend that the additional tendered costs be funded from the Transportation Services Capital Replacement Reserve.

Legal Impact:

There are no legal implications for the Corporation resulting from the proposed recommendation.

Staffing Impact:

There are no staffing implications for the Corporation resulting from the proposed recommendation.

Communication Actions:

Unofficial tender results were posted on Bids&tenders. Award of the Contract will be communicated to the public through the publishing of the Council Minutes.

Policies/Legislation:

1. Approved 2024 Capital Budget
2. South Huron Asset Management Plan
3. MTO Connecting Link Agreement

Consultation:

Rebekah Msuya-Collison, Chief Administrative Officer/Deputy Clerk

Julia Warwick, Director of Financial Services/Treasurer

Shane Timmermans, Manager of Transportation Services

Alyssa Keller, Manager of Environmental Services

Dennis Elliott, BM Ross Engineers

Imran Khalid, P. Eng., Huron County Engineer

Related Documents:

BM Ross Engineers tender review and recommendation letter dated March 7, 2024.

Respectfully submitted,

Don Giberson, General Manager of Infrastructure & Development

Report Approval Details

Document Title:	ESD08-2024 - Tender Results for Main Street North Reconstruction.docx
Attachments:	- 23158-2024-03-07-TenderReview-Municipality let.pdf
Final Approval Date:	Mar 13, 2024

This report and all of its attachments were approved and signed as outlined below:

Alex Wolfe - Mar 12, 2024 - 8:30 AM

Julia Warwick - Mar 12, 2024 - 4:18 PM

Rebekah Msuya-Collison - Mar 13, 2024 - 8:56 AM