

## **COMMITTEE OF THE WHOLE - APRIL 19, 2004**

### **AWARD OF TENDER T04-012 MILL STREET ROAD RECONSTRUCTION WATERMAIN REPLACEMENT AND SANITARY SEWER INSTALLATION**

#### **Recommendation**

The Commissioner of Engineering and Public works in consultation with the Director of Purchasing Services recommends:

- 1) That Tender T04-012 for the Mill Street Road Reconstruction, Watermain Replacement and Sanitary Sewer Installation be awarded to Lancorp Construction Co. Ltd., in the amount of \$298,017.20, plus G.S.T.;
- 2) That a contingency allowance in the amount of \$40,000.00 be approved within which the Commissioner of Engineering and Public Works or his designate is authorized to approve amendments to the contract;
- 3) That the Mayor and Clerk be authorized to sign the appropriate documents; and
- 4) That a by-law be enacted to amend the Special Local Levy By-law Number 369-2003, authorizing the construction of the sanitary sewers on Mill Street, by substituting the revised Schedules "A" and "B" attached to this Report (see Attachment No. 2); and
- 5) That those benefitting lands so affected be advised of approval of the subject tender and the apportionment of costs through the passage of amended By-law 369-2003

#### **Purpose**

Council approval to award Contract T04-012 for the Mill Street Road Reconstruction, Watermain Replacement and Sanitary Sewer Installation.

#### **Background - Analysis and Options**

This tender (2003 Capital Budget Project 1498-0-03) includes the road reconstruction, watermain replacement and sanitary sewer installation on Mill Street from Old Yonge street to the west limit. (See Location Map – Attachment No. 1).

The tender was advertised in the Daily Commercial News and on the Electronic Tendering Network (ETN), and closed on March 1, 2004. A total of twelve documents were picked up from the Purchasing Department and the following 6 bids were received.

<u>Contractor</u>	<u>Total Bid Amount (excl. G.S.T.)</u>
Lancorp Construction Co. Ltd.	* \$298,017.20
Tubro Contracting Ltd.	\$322,866.50
Direct Underground Inc.	\$344,207.00
Hollingworth Construction Co.	\$367,126.50
Esposito Bros. Construction Ltd.	\$471,373.02
Drainstar Contracting Ltd.	\$480,611.50

\* Corrected for arithmetic error.

Staff has reviewed the submitted bids, checked the references and are satisfied that Lancorp Construction Co. Ltd. is deemed qualified to successfully complete the project.

The estimated cost for this project including a contingency allowance and all applicable taxes is \$402,000.00 and is calculated as follows:

Lancorp Construction Co. Ltd. Bid (excluding G.S.T.)	\$298,017.20
Geotechnical Investigation	\$ 10,000.00
Utility Relocation	\$ 30,000.00
Contingency Allowance	<u>\$ 40,000.00</u>
Sub-total	\$378,017.20
G.S.T. (3%)	\$ 11,340.52
Treasury Administration (3%)	<u>\$ 11,680.73</u>
Total	\$401,038.45
<b>Rounded</b>	<b>\$402,000.00</b>

The construction of the sanitary sewer on Mill Street will be undertaken through subsection 326(1) and (4) and 312(4) of the Ontario Municipal Act, 2001 Special Service By-Law, with the costs to be shared by the affected property owners and the City. As a result of a review of updated information on the benefitting lands, By-law Number 369-2003 enacted September 22, 2003, needs to be amended. The proposed revised Schedules "A" and "B" to By-law Number 369-2003 showing the benefitting lands are attached to this Report as Attachment No. 2. An amending by-law is required to incorporate the revised Schedules into By-law number 369-2003.

The estimated cost of the sanitary sewer portion is \$121,000.00, with \$22,729.62 attributed to the property at the southwest corner of Mill Street and Old Yonge Street which is owned by the City. On a frontage basis, the cost per property for the five remaining properties would range between \$1,167.88 to \$33,106.52 (based on a frontage rate of \$383 per metre, not including interest charges. Refer to Attachment No. 3). It is important to note that some of these properties are quite large, comprised of multiple lots.

After the project is completed and when upon receipt of proof of the actual total costs of construction and applicable interest payable for the sanitary sewer works, the City will establish the special levy and enact each year a by-law levying a separate tax rate on part of the assessment for the benefitting lands until the total actual costs and interest are paid in full by the owners.

The balance of the works including road reconstruction and watermain replacement will be paid for by the City as part of funding approved in the 2003 Capital Budget.

### **Relationship to Vaughan Vision 2007**

This project is consistent with Vaughan Vision 2007 in that the proposed works ensure that growth does not outpace the road network infrastructure (3.2.3)

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

### **Conclusion**

Sufficient funding is available in the budget (2003 Capital Budget Project 1498-0-03) to complete the project. Staff recommend that this contract be awarded to Lancorp Construction Co. Ltd.

**Attachments**

1. Location Map
2. By-Law No. 369-2003
3. Mill Street Project

**Report prepared by:**

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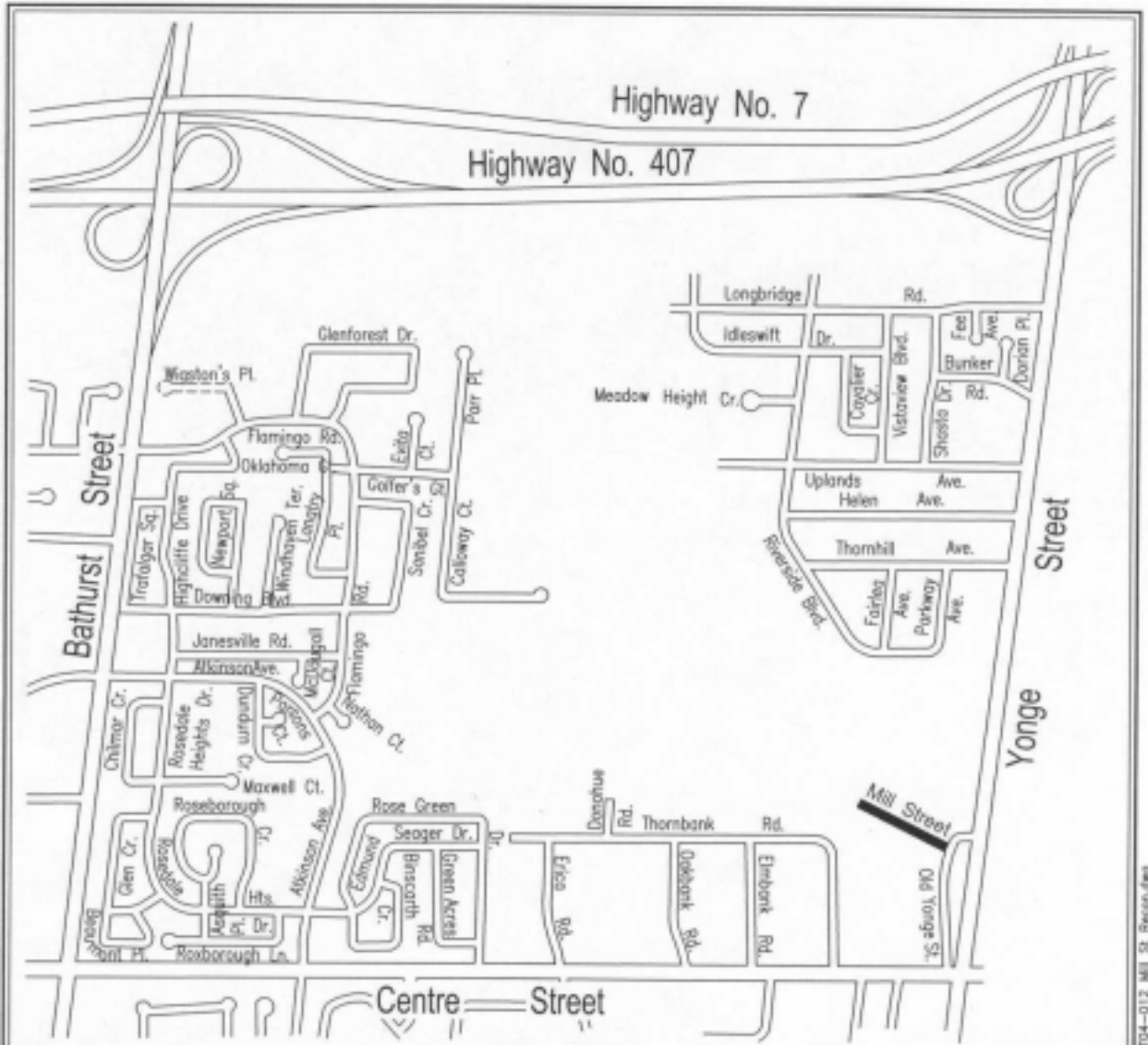
Respectfully submitted,

Bill Robinson, P. Eng.  
Commissioner of Engineering and Public Works

Gary P. Carroll, P. Eng.  
Director of Engineering Services

JCZ:mc

# ATTACHMENT No. 1



**T04-012**  
**MILL STREET ROAD RECONSTRUCTION,**  
**WATERMAIN REPLACEMENT & SANITARY SEWER INSTALLATION**

LOCATION : Part of Lot 31, Conc. 1

**LEGEND**

**SUBJECT ROAD**



NOT TO SCALE

*THE CITY OF VAUGHAN*

*BY-LAW*

**BY-LAW NUMBER 369-2003**

A By-law to authorize the construction of sanitary sewers on Mill Street east of Old Yonge Street, to identify a special service and to authorize a special local municipality levy and tax rate for repayment of the costs of construction.

WHEREAS pursuant to subsections 326(1) and (4) and subsection 312(4) of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, the municipality may pass by-laws to identify a prescribed special service, determine the additional costs, including capital costs, related to that service, designate the area of the municipality in which the property owners will receive an additional benefit not received in other areas, determine the portion and set out the method of determining the portion of the costs representing additional costs to the municipality of providing the additional benefit in the designated area and determine whether all or a portion of the additional costs shall be raised by the enactment of a special local municipality levy by-law(s) to impose special tax rates upon the owners of land who will derive a benefit from the construction of the works;

AND WHEREAS section 1 of Ontario Regulation 305/02 includes sewage systems as prescribed special services;

AND WHEREAS The Corporation of the City of Vaughan deems it necessary and appropriate to proceed with construction of sanitary sewer works to service all of the properties on Mill Street;

AND WHEREAS The Corporation of the City of Vaughan upon completion of the works will bring forward for enactment a special local municipality levy by-law(s) to recover the portion of the total costs of construction, and interest to be charged to the lands on Mill Street, until all costs related to such works are paid in full;

NOW THEREFORE the Council of The Corporation of the City of Vaughan enacts as follows:

1. The construction of sanitary sewer works, which are prescribed special services pursuant to clause 326(1)(a) of the *Municipal Act, 2001* and section 1 of O.Reg. 305/02, to service the lands on Mill Street as more particularly identified in section 2 of this By-law, is hereby authorized.
2. The lands subject to the works described in section 1 of this By-law are identified as the "Subject Lands" on the Map of Mill Street attached as Schedule "A" to this By-law and further identified by the listing of municipal addresses and legal descriptions for the Subject Lands set out in Schedule "B" to this By-law.

3. Schedules "A" and "B" attached hereto form a part of this By-law.
4. The sanitary sewer works are to be constructed in accordance with all approved tender documents, approved plans and drawings, any other City requirements or standards, and to the satisfaction of the City's Commissioner of Engineering and Public Works.
5. The estimated capital construction costs of undertaking the sanitary sewer works for the Subject Lands, including engineering fees (design, supervision and contract administration), any contingency allowance, treasury and administration fees, and taxes at three per cent (collectively the Total Costs of Construction") are presently in the amount of: TWO HUNDRED AND NINETY THOUSAND DOLLARS (\$ 290,000.00).
6. Interest on any short or long-term borrowing related to the Total Costs of Construction shall be charged at the Toronto Dominion Bank prime rate plus one per cent from the date of completion of the sanitary sewer works until all such costs are paid in full or as otherwise provided in the by-law(s) levying the Special Tax Rate for the construction of the sanitary sewer works.
7. For greater certainty, the Subject Lands identified in section 2 of this By-law, are hereby designated as an area of the municipality in which the property owners each of the properties receive or will receive an additional benefit from a special service that is not or will not be received in other areas of the municipality pursuant to clause 326(1)(c) of the *Municipal Act, 2001*.
8. The Subject Lands shown on Schedule "A" and listed on Schedule "B" are the lands which all of the owners or any of the owners individually receive or will receive an immediate benefit from the construction of the sanitary sewer works and all of which are or will be liable for payment of the Special Local Municipality Levy and Separate Tax Rate to be established in accordance with subsection 326(4) and subsection 312(4) of the *Municipal Act, 2001*.
9. The actual Total Costs of Construction plus estimated interest shall be deemed to be the portion of costs representing the additional costs to the municipality of providing the additional benefit to the Subject Lands and designated area on Mill Street, in accordance with clauses 326(1)(d) and (e) of the *Municipal Act, 2001*, which amounts will be used for the purpose of establishing a Special Local Municipality Levy and Separate Tax Rate under subsections 326(4) and 312(4) of the *Municipal Act, 2001*.
10. Upon receipt of proof of the actual Total Costs of Construction and applicable estimated interest payable for the sanitary sewer works contemplated by this By-law, the municipality will establish the Special Levy and will bring forward for enactment each year a by-law levying a Separate Tax Rate on part of the assessment for the Subject Lands referred to above in section 2 and designated under section 4, until the total actual costs and interest contemplated in section 9 of this By-law are paid in full by the owners or future owners of the Subject Lands.

11. Should any owner or succeeding owner of any of the lands or property identified in Schedules "A" or "B" to this By-law wish to enter or enter into an Agreement of Purchase and Sale for the sale of any such lands or property prior to payment in full of the amount(s) owing pursuant to this By-law or the Special Levy Separate Tax Rate By-law, the owner shall provide a copy of this By-law to the purchaser.

12. This By-law shall be registered on title to the lands or properties included in Schedules "A" and "B" to this By-law, with the consent of the owner(s).

13. Any tax certificates issued for the lands or properties included in Schedules "A" and "B" to this By-law shall indicate that a sanitary sewer works Special Levy Separate Tax Rate is chargeable to the lands.

14. This By-law shall come into force and effect on the date it is enacted.

READ a FIRST, SECOND and THIRD time and finally passed this 22<sup>nd</sup> day of September, 2003.

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Michael Di Biase, Mayor

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J. D. Leach, City Clerk

### Schedule "B"

<b>MUNICIPAL ADDRESS</b>	<b>LEGAL DESCRIPTION</b>	<b>OWNER'S MAILING ADDRESS</b>
42 Old Yonge St.	Lots 9, 10 & 11 Range B Plan 328	City of Vaughan 2141 Major Mackenzie Drive Vaughan, Ontario L6A 1T1
0 Mill Street	Lot 8 Range B Plan 328	General Delivery Thornhill, Ontario L3T 3M9
15 Mill Street	Lot 8 Range A Pt Lots 5 & 7 Range B Lot 6 Range B Plan 328	18 Mill Street Thornhill, Ontario L4J 8C5
18 Mill Street	Lot 6 Range A Pt Lots 5 & 7 Range A Plan 328	18 Mill Street Thornhill, Ontario L4J 8C5
29 Mill Street	Lot 4 Range B Pt Lot 3 & 5 Range B Plan 328	29 Mill Street Thornhill, Ontario L4J 8C5
33 Mill Street	Lot 1 Range B Lot 2 Range B Pt Lot 3 Range B Plan 328	33 Mill Street Thornhill, Ontario L4J 8C5
7934 Yonge Street	Pt. Lot 32 Con 1 Part 1 RS 65R-5630 Block 270 Plan 65M-2349 Lots 1-4 & Pt Lot 5 Plan 328	7994 Yonge Street Thornhill, Ontario L4J 1W3



**ATTACHMENT NO. 3**

**MILL STREET PROJECT**

Estimated Project Cost Sanitary Sewer Only

Lancorp Construction Co. Ltd. Bid Price (Sanitary Section 'C' only – excluding G.S.T.)	\$ 80,580.50
Geotechnical Investigation	\$ 3,333.34
Utility Relocation	\$ 10,000.00
Contingency Allowance	<u>\$ 20,000.00</u>
Sub-Total	\$113,913.84
G.S.T. (3%)	\$ 3,417.42
Treasury Administration (3%)	<u>\$ 3,519.94</u>
Total	\$120,851.20
<b>Rounded</b>	<b>\$121,000.00</b>

Mill Street Sanitary Sewer Construction Estimated Apportionment of Costs

Total estimated frontage	=	316 metres
Frontage rate approximately	=	\$383.00 per metre
City share (#42 Old Yonge St.)	=	\$22,729.62
Estimated cost per property (does not include interest cost)	=	\$1,167.88 - \$33,106.52

(Note that some properties are comprised of multiple lots).