

COMMITTEE OF THE WHOLE - APRIL 4, 2005

AWARD OF TENDER T05-018

DONEY CRESCENT – ROAD RECONSTRUCTION AND WATERMAIN REPLACEMENT

Recommendation

The Commissioner of Engineering and Public Works in consultation with the Director of Reserves and Investments and the Director of Purchasing Services recommends:

- 1) That Tender T05-018 for the Doney Crescent Road Reconstruction and Watermain Replacement be awarded to Direct Underground Inc. in the amount of \$1,379,524.72, plus G.S.T.;
- 2) That a contingency allowance in the amount of \$150,000 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 City retain SRM Associates to provide contract administration and construction inspection services including geotechnical testing and disbursements at an estimated cost of \$85,000, plus G.S.T.;
- 4) That a contingency allowance in the amount of \$10,000 for contract administration and inspection be approved within which the Commissioner of Engineering and Public Works or his designate is authorized to approve additional engineering services; and
- 5) That the Mayor and Clerk be authorized to sign the appropriate documents.

Purpose

To award Tender No. T05-018 – Doney Crescent, Road Reconstruction and Watermain Replacement.

Background - Analysis and Options

This tender (2004 Capital Budget Projects 1509-0-04 and 1556-0-05) includes the reconstruction of Doney Crescent from Keele Street to the North End and Watermain Replacement. (See Attachment No. 1 – Location Map).

The tender was advertised in the Daily Commercial News and on the Electronic Tendering Network (ETN), and closed on February 22, 2005. A total of 17 sets of documents were picked up from the Purchasing Department and the following 8 bids were received:

<u>Contractor</u>	<u>Total Bid Amount (excl. G.S.T.)</u>
Direct Underground Inc.	\$1,379,524.72
Mar-King Construction Company Limited	\$1,442,095.06
Gazzola Paving Limited	\$1,468,403.80
Trisan Construction	\$1,482,816.43
Kapp Contracting Inc.	\$1,643,236.58
Pave-AI Limited	\$1,811,822.13
Moretti Excavating Limited	\$1,897,326.92
Hollingworth Construction Company	\$2,057,199.36

The estimated cost for this project including provisional items, contract administration, inspection and testing, a contingency allowance and all applicable taxes (G.S.T.) is 100% recoverable) is \$1,675,000.00 and is calculated as follows:

Direct Underground Inc. (excluding G.S.T.)	\$1,379,524.72
Contingency amount (Construction) \pm 10%	\$ 150,000.00
Contract Administration and Inspection – Estimated Amount	\$ 85,000.00
Contingency amount (Contract Administration and Inspection)	\$ 10,000.00
Sub-total	\$1,624,524.72
G.S.T. (7% - amount 100% recoverable)	\$ 113,716.73
Treasury Administration (3%)	\$ 48,735.74
Total	\$1,786,977.19
Less G.S.T. Recoverable	\$ (113,716.73)
Net cost	\$1,673,260.46
Rounded	\$1,675,000.00

Staff and the City's consultant for this project SRM Associates have reviewed the submitted bids and are satisfied that the low bidder Direct Underground Inc. which has successfully completed similar works for the City, is deemed qualified to undertake this project. Therefore, it is appropriate to award this contract to Direct Underground Inc.

Relationship to Vaughan Vision 2007

This report recommends a change from the priorities previously set by Council and the necessary resources have been allocated.

Conclusion

Sufficient funding is available in the 2004 and 2005 Capital Budget (Projects 1509-0-04, 1556-0-05) to complete the project. Funding for this project shall be as follows: \$1,224,425.00 is funded from Long Term Debt Financing and \$450,575.00 is funded from Water Reserve. Staff recommend that this contract be awarded to Direct Underground Inc. in the amount of \$1,379,524.72, plus G.S.T.

Attachments

1. Location Map

Report prepared by:

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Respectfully submitted,

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Commissioner of Engineering and Public Works

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

PM:mc

ATTACHMENT No. 1

