

STAFF REPORT: ENGINEERING AND PUBLIC WORKS DEPARTMENT



REPORT TO: Infrastructure and Recreation Committee
MEETING DATE: September 8, 2009
REPORT NO.: EPW.09.083
SUBJECT: Highway 26 Water & Wastewater
 Extension- Spence/Turner
PREPARED BY: John Caswell, Manager of Water &
 Wastewater Services/Asst. Director

A. Recommendations

THAT Council receive Staff Report EPW.09.083 entitled “Highway 26 Water & Wastewater Extension – Spence/Turner” and;

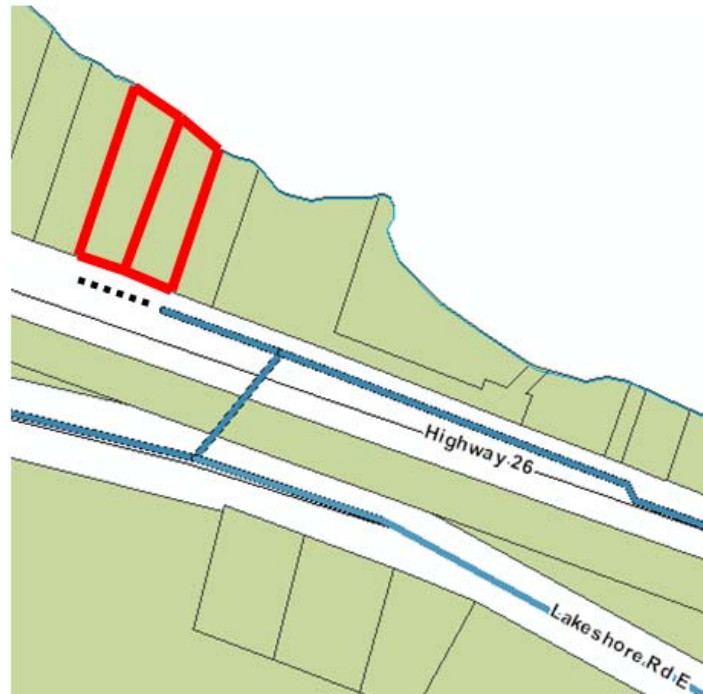
THAT Council approve the award of Highway 26 Water & Wastewater Extension – Spence/Turner (TBM-2009-50) to Arnott Construction in the amount of \$79,500.00, excluding GST, subject to the provision of adequate security by Spence/Turner to undertake works as approved by the Director of Financial and Information Services and;

THAT the Mayor and the Clerk be authorized to execute the Contract Documents for TBM-2009-50.

B. Background

On June 3, 2009, a Servicing and Cost Recovery Agreement was signed between the Town and Pamela Spence and Robert Turner (Spence/Turner) to service Lots 24 and 25 of Registered Plan 529 with water and wastewater servicing. Spence/Turner will be responsible for 100% of the cost of the water and wastewater extension project.

The Highway 26 Water & Wastewater Extension – Spence/Turner project includes the installation of 35 meters of 200 mm diameter watermain and 35 meters of 200mm sanitary sewer to service the lots mentioned above (Refer to map below).



Tenders for the Highway 26 Water & Wastewater Extension – Spence/Turner (TBM-2009-50) were closed on Tuesday, September 1, 2009, and a public tender opening took place on the same day. A total of 3 companies obtained tender documents and 1 tender was received. The bid included the required tender deposit cheque of \$6,000.00, Agreement to Bond and tender documents. The received bids were reviewed for accuracy by Ainley Group to ensure they were mathematically correct. The Consultant's tender report is provided as Attachment #1.

Additional Funds

Capital construction costs were originally estimated as follows:

	WASTEWATER	WATER	TOTALS
Construction	\$29,400	\$24,600	\$54,000
MOE Approvals	\$1,900	\$1,900	\$3,800
Design	\$2,000	\$2,000	\$4,000
Engineering	\$2,000	\$2,000	\$4,000
Capital Charges	\$5,341	\$4,659	\$10,000
Administrative Cost	\$100	\$100	\$200
		TOTAL	\$76,000

The Town received a payment of \$76,000.00 from Spence/Turner before the project was tendered, which was meant to cover the entire cost of the project. As the bid received from Arnott Construction is in the amount of \$79,500.00 for project construction, additional funds in the amount of \$25,500.00 must be received from Spence/Turner before the tender can be awarded. Spence/Turner has agreed to pay the additional funds required before the tender award is received by Council.

Increase Required for Construction Costs	
Received Tender Bid	\$79,500
Estimated Construction Costs	\$54,000
Additional Funds Required	\$25,500

Pending the receipt of additional funds in the amount of \$25,500.00 from Spence/Turner to the satisfaction of the Director of Finance, Staff recommend that Council accepts the bid of Arnott Construction in the amount of \$79,500.00, excluding GST, being the lowest bid and meeting all the contract document requirements. The tender and award of this project is in compliance with the Town's Purchasing Policy. The award is endorsed by the Tender Award Committee consisting of the CAO, Director of Engineering and Public Works and Manager of Purchasing or designates.

C. The Blue Mountains' Strategic Plan

Town's Strategic Plan Goal # 2 "Addressing the Town's Municipal Infrastructure needs" is in part satisfied by the recommended action.

D. Environmental Impacts

The extension of the Highway 26 water and wastewater system will help protect water quality by eliminating existing wells and septic systems to Lots 24 and 25 of Plan 259. As construction will require rock excavation, silt fencing will be erected in an effort to safeguard the area's water courses.

E. Budget Impact

There is no budget impact for this project due to Spence/Turner front ending all associated costs.

F. Attached

1. Ainley Group Tender Report

Respectfully submitted,

John Caswell
Manager, Water & Wastewater Services

Reg Russwurm
Director, Engineering and Public Works

Tender Award Committee

Paul Graham
CAO

Reg Russwurm
Director of Engineering
& Public Works

Sherri Adams
Manager of Purchasing

For more information, please contact:
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September 2, 2009

File No. 107185

Town of The Blue Mountains
Box 310
26 Bridge Street
Thornbury, Ontario
N0H 2P0

RECEIVED
SEP 11 2009
TOWN OF THE BLUE MOUNTAINS
PER _____

Attn: **Mr. John Caswell**
Manager of Water and Wastewater Services

Ref: **Town of The Blue Mountains**
Craigleith Area
Plan 529, Lot 24 (Spence/Turner)
Sanitary Sewer & Watermain Extension
Contract No. TBM-2009-50
Report on Tender

Dear Mr. Caswell:

The time and date of tender closing was 2:00 p.m. on Tuesday September 1st, 2009. Only one tender was received from Arnott Construction Limited of Collingwood in the amount of \$79,500.00 (GST excluded).

The pre-tender opinion of construction cost was \$54,000.00. The higher than expected tender price is likely due to the lack of competing bids. Although three contractors purchased tender documents, only one tender was submitted.

The submitted tender was checked and found to be in order.

Arnott Construction is well known to us, having previously completed many similar projects for the Town. In our opinion they are capable of successfully completing this contract.

We recommend that the contract be awarded to Arnott Construction Limited at the price bid of \$79,500.00 plus GST. We trust that this is satisfactory, however if you should have any questions, please do not hesitate to contact us.

Yours truly

AINLEY & ASSOCIATES LIMITED

A handwritten signature in black ink, appearing to read "David Ellis".

D. B. Ellis, P. Eng.