

STAFF REPORT: Engineering and Public Works Department

REPORT TO: Council
MEETING DATE: April 26, 2010
REPORT NO.: EPW.10.048
SUBJECT: Hester Street Parking Lot and Road Improvements (2010-15-T-EPW) Award of Tender
PREPARED BY: Tom Gray, Design Technologist on behalf of Tender Award Committee

A. Recommendations

THAT Council approve the award of Hester Street Parking Lot and Road Improvements (2010-15-T-EPW) to E. C. King Contracting in the amount of \$201,637.48, excluding GST, as outlined in Report EPW.10.048 entitled "Hester Street Parking Lot and Road Improvements (2010-15-T-EPW) Award of Tender", and;

THAT the contract value for Hester Street Parking Lot and Road Improvements (2010-15-T-EPW) be increased from \$201,637.48 by \$15,000 to \$216,637.48 to permit the resurfacing of Hester Street for 70m south of Bridge St., and;

THAT the Mayor and the Clerk be authorized to execute the Contract Documents for Hester Street Parking Lot and Road Improvements (2010-15-T-EPW).

B. Background

On February 8, 2010 within Report EPW.10.018 Council directed "*to Staff to attempt with all expediency and effort to gain agreement with the owners whose property form a portion of the Hester Street Parking Lot in order for the (Parking) Lot Improvements to proceed and then complete the related final design and construction activities prior to the planned start of the Beaver River Bridge Rehabilitation Project in mid June 2010*". Staff prepared detailed design drawings and tender documents internally. The plan considers that the area generally composed of the granular area adjacent to Hester Street, which is an informal parking area, be excavated and reinstated as a municipal parking lot, and that Hester Street be improved from Bridge Street (Hwy 26) 70m southerly to facilitate and complement the construction of the municipal parking lot as well as provide some on street and angle parking. Refer to Attachment #1 for a location map.

The tender for "Hester Street Parking Lot and Road Improvements (2010-15-T-EPW)" was closed on Thursday, April 15, 2010 and a public tender opening took place on the same day. Six (6) companies obtained tender documents and three (3) tenders were received. The bids included the required tender deposit cheque of \$10,000, Agreement to Bond, signed and sealed copy of Addendum #1 and

tender documents. The received bids were reviewed for accuracy by Staff to ensure they were mathematically correct.

The lowest tender received was from E. C. King Contracting in the amount of \$201,637.48 excluding GST. The list of contractors and tender pricing is provided in Table 1 below:

Table 1
**Hester Street Parking Lot and Road
Improvements Tender Summary**

<i>Engineering Estimate</i>	\$219,000.00
E. C. King Contracting	\$201,637.48
Darpack Inc.	\$240,098.47
Harold Sutherland Const. Ltd	\$236,676.25

Prior to tendering, Staff prepared a project cost estimate totaling \$229,000 (Report EPW.10.035). In Table 2 below, the project cost has been revised to \$211,637 based on the actual tender figures and other known costs.

Since the project is fully funded, the Tender Award Committee, consisting of the CAO, Director of Engineering and Public Works, and Manager of Purchasing or designates, recommends that Council accepts the bid of E. C. King Contracting in the amount of \$201,637.48 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.

Additional Work

To limit the budget impact, some works contemplated in the conceptual design were deferred. These works include parking lot lighting (although duct work will be installed), second lift of asphalt, sidewalk, curb and resurfacing of all of Hester Street. Staff recommend utilizing \$15,000 of the budget surplus (Table 2) in order to resurface the first 70 m of Hester Street south of Bridge Street rather than patching the asphalt around new storm structures and curbing. This will present a finished look to the road and moreover will extend the life of the surface. This additional work will only be approved by Staff to proceed if the cost quoted by the Contractor is deemed reasonable. The resultant expected budget surplus is reduced from \$17,363 to \$2,363 (Table 2), and the contract value will increase by \$15,000 from \$201,637.48 to \$216,637.48.

Table 2
Hester Street Parking Lot and Road
Improvements Project Expenditure
Estimate

Engineering Services	\$2,000
Construction	\$201,637
Geotechnical	\$3,000
Advertising, Misc	\$1,000
Legal allowance	\$4,000
Project Cost	\$211,637
Project Budget	\$229,000
Surplus	\$17,363
Additional Work	\$15,000
Revised Surplus	\$2,363

Construction Timing

The project is currently on schedule for a construction start the first week of May to enable the parking lot to be re-opened to at least gravel surface prior to the Victoria Day holiday (May 24).

Land Use Agreements

Prior to being able to recommend award of the work, several Land Use Agreements had to be executed with the affected property owners. Of the five property owners who must give authority to utilise their lands for use as a municipal parking lot, three agreements have been executed. Of the remaining two, one involves waiting for the owner to return to the region and the other involves an ownership change. Staff have verbal commitments from both that the agreement will be signed at earliest convenience, and therefore Staff is confident to recommend award. If in the extreme the Land Use Agreement is not agreed upon, the Town's plan can be altered to suit and yet allow key aspects of the works to proceed.

The Land Use Agreements include key terms to the effect that:

- i. Owner grants the Town approval to place a municipal parking lot on their lands
- ii. Town is solely responsible for construction and on-going maintenance of the parking lot
- iii. Town will indemnify and defend the property owners against any legal action related to the operation of a municipal parking lot
- iv. The Town will vacate the site upon 60 days notice and will remove any improvements as requested other than granular materials within 120 days of the notice

The authority for the Mayor and Clerk to execute the Land Use Agreements was approved in Report EPW.10.035.

C. The Blue Mountains' Strategic Plan

These works address the Town's Strategic Plan Goal #2 "Addressing the Town's Municipal infrastructure needs".

D. Environmental Impacts

Greenhouse gases will be generated as part of this work along with noise and dust typically associated with construction activities. Given that the work is very near the Mill Pond and the Beaver River, proactive measures will be required of the Contractor to mitigate direct environmental effects such as may result from fuel spills.

E. Budget Impact

On March 22, 2010 within Report EPW.10.035 Council increased the 2010 Capital Budget from \$8,000 for the work to \$229,000 since the project has been advanced one year. Given tender costs, other known costs and the recommended increase in contract value, the revised expected expenditures are \$227,363 resulting in a \$2,363 project surplus.

F. Attached

1. Hester Street Parking Lot and Road Improvements Location and Limits of Construction.

Respectfully submitted,

Tom Gray
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Tender Award Committee

Paul Graham
CAO

Reg Russwurm
Director of Engineering
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Hester Street Parking Lot and Road Improvements

Conceptual Plan

