

**STAFF REPORT:           ENGINEERING AND PUBLIC WORKS DEPARTMENT**



**REPORT TO:**           Engineering and Public Works Committee  
**MEETING DATE:**      April 22, 2008  
**REPORT NO.:**         EPW.08.52  
**SUBJECT:**            **Mountain Drive Reconstruction – Phase II,  
Contract No. TBM-2008-13 Award of  
Tender**  
  
**PREPARED BY:**      **Reg Russwurm, Director of Engineering  
and Public Works Department**

**A. Recommendation**

THAT Council approve an increase of the Roads and Drainage Budget for the Mountain Drive Reconstruction – Phase II in the amount of \$47,190 and the creation of a Wastewater Budget for the Mountain Drive Reconstruction – Phase II in the amount of \$15,253 as outlined in Report EPW.08.52, and

THAT Council approve the award of the Mountain Drive Reconstruction – Phase II (TBM-2008-13) to Tectonic Infrastructure Inc. in the amount of \$1,529,520.75, excluding GST, and;

THAT the Mayor and the Clerk be authorized to execute the Contract Documents for TBM-2008-13.

**B. Background**

The Town is undertaking the reconstruction of the Mountain Drive Reconstruction – Phase II in response to area growth and the replacement of aging infrastructure. The works include earth excavation, granular base, hot mix asphalt, concrete curb and gutter, asphalt walkway, storm sewer, watermain, underground electrical ducts, together with other miscellaneous items from Scenic Caves Road to approximately 75m north of the northern leg of Carmichael Crescent.

Tenders for Mountain Drive Reconstruction – Phase II (TBM-2008-13) were closed on Wednesday, April 9, 2008, and a public tender opening took place on the same day. Twelve companies obtained tender documents for this project and eight tenders were received. The bids included the required tender deposit cheque of \$150,000.00, Agreement to Bond, signed and sealed copy of Addendum #1 and tender documents. The received bids were reviewed for accuracy by Ainley & Associates to ensure they were mathematically correct and the tender report is provided as Attachment #1. The lowest tender received was from Tectonic Infrastructure Inc. at \$1,529,520.75, excluding GST.

Project Budget

An estimate of the capital cost was undertaken in preparation of the 2008 Capital Budget. The tendered cost of construction is now known and it is appropriate to verify that the funding budgets contain sufficient funds to undertake the works.

The total expected project cost is \$1,749,521 based on the following:

TBM-2008-13	\$1,529,521
Engineering	\$150,000
Utilities	\$20,000
Other Direct Costs	\$15,000
Contingency	\$35,000
<b>Total Project Cost</b>	<b>\$1,749,521</b>

Within the 2008 Capital Budget, a total of \$1,813,000 is included for this project however adjustments are needed for individual funding budgets. Table 1 presented below provides a Summary of the Expected Costs, 2008 Capital Budget, Project Budget Position and the Proposed Budget Increases required for specific capital budgets given the expected costs and the cost share between the Town, IntraWest and Utilities who have asked for work to be done on their infrastructure as part of the project.

The increase in Roads and Drainage Budget of \$47,190 can be attributed to construction cost escalation and the addition of electrical conduits for future streetlights and for the use of Hydro One and Bell Canada utilities.

The previous unidentified costs for sanitary sewer of \$15,253 is related to replacing the sub-municipal standard sewers within the Mountain Drive right-of-way connecting to Carmichael Crescent and Plater Street. The costs will therefore be avoided during the reconstruction of these streets expected to occur over the next two years.

Recommendation

Staff recommend that the Roads and Drainage Budget be increased by \$47,190 and that a Wastewater Budget be created in the amount of \$15,253 for this project.

With the above budget changes, Staff recommend that Council accepts the bid of Tectonic Infrastructure Inc. in the amount of \$1,529,520.75, excluding GST, being the lowest bid and meeting all the contract document requirements.

**Table 1**  
**Summary of Expected Project Costs and Budget Implications**

<b>Expected Cost based on Tended Prices</b>	<b>Total</b>	<b>Town Share</b>	<b>Intrawest Share</b>	<b>Utilities</b>
Roads and Drainage	\$1,517,190	\$1,042,084	\$446,608	\$28,498
Water	\$217,078	\$217,078	\$0	
Wastewater	\$15,253	\$15,253	\$0	
<b>Total</b>	<b>\$1,749,521</b>	<b>\$1,274,415</b>	<b>\$446,608</b>	<b>\$28,498</b>
<b>2008 Capital Budget</b>				
Roads and Drainage	\$1,470,000	\$1,029,000	\$441,000	
Water	\$343,000	\$343,000	\$0	
Wastewater	\$0	\$0	\$0	
<b>Total</b>	<b>\$1,813,000</b>	<b>\$1,372,000</b>	<b>\$441,000</b>	<b>\$0</b>
<b>Project Budget Position</b>				
Roads and Drainage	-\$47,190	-\$13,084	-\$5,608	-\$28,498
Water	\$125,922	\$125,922	nil	nil
Wastewater	-\$15,253	-\$15,253	nil	nil
<b>Total</b>	<b>\$63,479</b>	<b>\$97,585</b>	<b>-\$5,608</b>	<b>-\$28,498</b>
<b>Proposed Budget Increases</b>				
Roads and Drainage	\$47,190	\$13,084	\$5,608	\$28,498
Water	nil	nil	nil	nil
Wastewater	\$15,253	\$15,253	nil	nil

Other Related Works

The Town is also undertaking and participating in other works in the area. The area known as Plan 915 Development (Carmichael Crescent, Plater Street, Campbell Crescent and Kinsey Place) in the Craighleith area is being reconstructed by the Town in 2008 and 2009, and the Town is participating in the construction of the roundabout at the intersection of Grey Road 19, Scenic Caves Road and Mountain Drive.

**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. Budget Impact**

The 2008 Capital Budget overall provides sufficient funds for this project however two of the funding budgets need to be increased as follows:

- Increase in Roads and Drainage Budget of \$47,190 by:
  - \$5,608 from Intrawest
  - \$1,308 from Reserves – Roads Non-Growth (1-308-0000-31020)
  - \$11,775 from Development Charges
  - \$28,498 from Hydro One and Bell Canada for utility related works.
  
- Creation of a Wastewater Budget of \$15,253 will be funded from the Craigleith Sewer Reserve.

These budget modifications have been confirmed with the Town's Capital Accountant.

#### **E. Attached**

1. Mountain Drive Reconstruction – Phase II Tender Report prepared by Ainley Group, dated April 10, 2008.

Respectfully submitted,

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Reg Russwurm  
Director of Engineering & Public Works