



A People Place, A Change of Pace
SHELBURNE
ONTARIO, CANADA

Meeting Date: Monday, September 26, 2022

To: Mayor Mills and Members of Council

From: Jim Moss, Director, Development and Operations

Report: DO2022-04

Subject: Sandhill Court Reconstruction

Recommendation

BE IT RESOLVED THAT Council receives report DO2022-04 dated September 26, 2022, for information;

AND FURTHER THAT Council approves staff's recommendation to award the Sandhill Court Reconstruction to Unique Builders Inc. in the amount of \$599,620 plus HST;

AND FURTHER THAT Council instructs staff to utilize existing Canada Community-Building Funds (CCBF) formerly known as AMO Gas Tax Funding with a total project cost of \$742,461.

Background

The 2022 budget contained this project known as Sandhill Court Reconstruction in the estimated amount of \$560,000 to be paid from the Canada Community-Building Funds (CCBF) formerly known as AMO Gas Tax Funding. This project has been on the radar of the town for some time and test holes that were performed last year showed the deterioration of the aging infrastructure beneath the surface, prompting staff to expedite this project.

Analysis

Appendix 1 attached, from S. Burnett and Associates, details the RFP Process for RFP M21031.

The RFP document was sent out to 24 Contractors; 2 Contractors attended the non-mandatory site visit; 3 Contractor Bids were received.

Staff and the Town's Engineers are recommending that the RFP be awarded to Unique Builders Inc for the full scope of the projects identified in the RFP and included in Table 1 of Appendix 1, in the amount of \$599,620 plus HST (net cost to the Town being \$610,173.31 following HST refund).

Financial Impact

The funding for this project was originally budgeted to come from the use of CCBF in the amount of \$560,000.

| | |
|------------------------------|------------------|
| Contract Total (if approved) | \$599,620 |
| Engineering Costs (SBA) | \$130,000 |
| Net of HST | <u>\$ 12,841</u> |
| TOTAL COST | \$742,461 |

At year end there is expected to be approximately \$980,847 in the CCBF account. (Excluding additional bank interest earned for the remainder of the year and including the removal of the sister street debt payment that comes from this account). Taking the full cost of this project from the CCBF account would leave it with a balance of \$237,999 for future infrastructure needs identified in the 5 year capital plan.

Staff are recommending that the additional costs in the amount of \$182,461 also be funded from the existing funds in the CCBF account to cover the full cost of this project including the contract and the engineer costs.

Policies & Implications

Municipal Procurement Policy

Consultation and Communications

S. Burnett and Associates

Council Strategic Priorities

Council's Strategic Priorities has three Goals - Sustainable, Engaged and Livable. There are a total of 12 targets with the three Goals.

The updated Sandhill Court Reconstruction relates to the following Goals:

- Target T3: Invest and fund critical infrastructure for the future

Supporting Documentation

Appendix 1: SBA Letter and Recommendation dated September 14, 2022

Respectfully Submitted and Prepared by:

Jim Moss, Director, Development and Operations

Carey Holmes, Director of Finance / Treasurer

Reviewed by:

Denyse Morrissey, CAO

September 14, 2022

Town of Shelburne
203 Main Street East
Shelburne, ON L9V 3K7

Attn: Jim Moss, Director, Development and Operations

Re: Town of Shelburne, Sandhill Court Reconstruction
Summary of Bids
SBA File No: M21031

Dear Jim,

S. Burnett & Associates Limited (SBA) has prepared the following letter to summarize the bids received from Contractors regarding the Town of Shelburne, Sandhill Court Reconstruction project. The Request for Tender (RFT) document was uploaded to Merx.com and Biddingo.com on August 12, 2022. The RFT was also uploaded to the Town of Shelburne's procurement website, however a Bidder's List was not provided in order to determine the amount of bid viewers through this platform. A total of 24 Contractors and Suppliers downloaded the RFT document.

- Cox Construction Limited
- DECAST Ltd.
- IPAC Paving Limited
- Isco AH-McElroy
- OZA Inspections Ltd.
- Peninsula Construction Inc.
- Power Precast Solutions
- Roto-Mill Inc.
- Roubos Farm Service Ltd.
- Seeley and Arnill Construction
- Summit Concrete & Drain
- Swift Mechanical Services Inc.
- Wristen's Home Specialties Inc.
(WHS Inc.)
- Construct Connect
- Ted Arnold Architectural Solutions
- Unique Builders Inc.
- D+A Road Services
- Arnill Construction Ltd
- Grand Valley Construction Association
- Ashland Construction Group Ltd.
- STAR GLASS
- COREBUILD CONSTRUCTION
- Anacond Contracting Inc.
- YSA Construction Inc.

A non-mandatory but highly advisable Contractor's site visit was held on Wednesday, August 24, 2022, at 10:00 am beginning at the back parking lot of the municipal offices located at 203 Main Street East, Shelburne, Ontario. The following Contractors attended the site visit:

- Roubos Farm Service Ltd.
- Cox Construction Ltd.

A total of two (2) addenda were issued throughout the Tender process that addressed questions by the Contractors and additional clarifications.

Three (3) bids were received by the closing date of Friday, September 9, 2022, at 2:00 p.m. local time. All bid submissions were sent via email by the Contractors to Carey Holmes, AMCT, Director of Financial Services / Treasurer, Town of Shelburne. The bids were from the following Contractors:

- Unique Builders Inc.
- Roubos Farm Service Ltd.
- Cox Construction Limited

Table 1 below presents the initial bid summaries received from the three (3) Contractors.

Table 1: Summary of Construction Bids by Schedule

| DESCRIPTION | Unique Builders Inc. | Roubos Farm Service Ltd. | Cox Construction Limited |
|--|----------------------|--------------------------|--------------------------|
| Schedule A - Miscellaneous Items | \$67,000.00 | \$128,125.00 | \$96,779.00 |
| Schedule B - Road Works | \$243,940.00 | \$218,542.00 | \$190,524.25 |
| Schedule C - Storm Sewers | \$131,740.00 | \$117,958.00 | \$176,866.70 |
| Schedule D - Sanitary Sewers (Provisional) | \$69,980.00 | \$96,199.40 | \$145,337.38 |
| Schedule E - Watermain (Provisional) | \$69,360.00 | \$149,253.80 | \$189,929.62 |
| Schedule F - Contingency Items | *\$17,600.00 | \$34,364.00 | \$36,750.00 |
| CONTRACT TOTAL: | \$599,620.00 | \$744,442.20 | \$836,186.95 |
| ORIGINAL BID AMOUNT: | \$599,720.00 | \$744,442.20 | \$836,186.95 |
| RANK: | 1 | 2 | 3 |

* Indicates revised amount due to mathematical error

SBA has checked the submissions for mathematical errors and found a minor addition error to the bid submitted by Unique Builders Inc. The error did not change the outcome of the ranking.

All Contractors provided the required Bid Bond and Agreement to Bond amounts as outlined in Schedule B of the Tender document.

The Tender Contract includes two (2) provisional schedules, including Schedule D (Sanitary Sewer) and Schedule E (Watermain) respectively. SBA has completed an analysis of several scenarios to compare bid results based on different schedules being awarded as it is understood there are budgetary limitations and certain schedules are of higher priority to the Town. **Table 2** below outlines the corresponding bid results under the four (4) possible award options.

Table 2: Bid Results Under Different Award Options

| | Unique Builders Inc. | Roubos Farm Service Ltd. | Cox Construction Limited |
|--|----------------------|--------------------------|--------------------------|
| Option 1: Award all Schedules | \$599,620.00 | \$744,442.20 | \$836,186.95 |
| Option 2: Award Base Contract Only | \$460,280.00 | \$498,989.00 | \$500,919.95 |
| Option 3: Award Base Contract & Schedule D (Sanitary Sewer) | \$529,640.00 | \$648,242.80 | \$690,849.57 |
| Option 4: Award Base Contract & Schedule E (Watermain) | \$530,260.00 | \$595,188.40 | \$646,257.33 |

As shown above, Unique Builders Inc. is the lowest bidder under each of the four (4) scenarios. It is understood that the Town has a total budget of \$560,000.00 to complete this work which includes engineering fees and therefore additional monies will need to be secured should the Town wish to move forward with the provisional Schedules in the project.

SBA does recommend securing additional monies to award all provisional items as the lowest bidder has provided very reasonable pricing for Schedule D (Sanitary Sewer) and Schedule E (Watermain) and therefore it would be considerably more desirable and cost effective to complete this work now as opposed to it being done under a separate contract in the future.

It is understood that this project was originally set in motion from property owner complaints regarding the deterioration of the roadways due to frost heave and drainage issues, hence why the sanitary sewer and watermain schedules were listed as provisional items that don't necessarily need to be completed to alleviate the current deficiencies of the roadway. However, SBA still recommends moving forward with all provisional items as both the sanitary sewer and watermain were constructed in the 1970's and are

approaching their design life. Therefore, it can be expected that while the sanitary sewer and watermain infrastructure does not require immediate replacement, it will most likely need to be replaced before the roadway deteriorates again.

Understanding there are budget limitations, and the additional monies may not be available, SBA then recommends to move forward with Option 3 (Base Contract and Schedule D [Sanitary Sewer]) and not award Schedule E (Watermain). CCTV inspection and a Property Owner Survey has noted several deficiencies related to the existing sanitary services on the roadway which have caused several backups in the past. It should however be noted that several of the issues faced by property owners are on their own properties and will not be corrected as part of this contract. Town Waterworks staff have not noted any operational issues related to the watermain on the roadway other than age.

To date SBA has expensed a total effort of approximately \$57,000.00 during the planning, design and tendering phases of the project. SBA estimates that an additional \$60,000 to \$75,000 will be required for contract administration and inspection duties for a total engineering in the \$120,000 to \$130,000 range. This would result in an overall total estimated project cost of approximately \$730,000. This would require a project allocation increase of \$170,000 to support the construction and engineering effort.

Unique Builders Inc. was the lowest qualified bidder under all four (4) of the potential award options, having submitted through the Tendering process. Unique Builders Inc. from Brampton, Ontario, has satisfactorily completed similar projects in the past for other municipalities in the surrounding area. SBA has completed a reference check on Unique Builders Inc. and would consider this company capable of completing the Sandhill Court Reconstruction project.

Therefore, should the Town of Shelburne consider moving forward with this project, SBA would recommend the Tender submission from Unique Builders Inc. for a total of \$599,620.00 plus HST, including all provisional Schedules be considered.

Alternatively, should all of the additional monies not be available to support this recommendation, SBA recommends awarding the base contract and only provisional Schedule D (Sanitary Sewer) for a total of \$529,640.00 plus HST. This would still require an additional \$100,000 to support the increased scope of work.

Should you have any questions, please do not hesitate to call me.

Yours truly,



Blake Aram, B.Eng., EIT
Site Representative
S. Burnett & Associates Limited

cc: Carey Holmes, AMCT, Director of Financial Services / Treasurer, Town of Shelburne
Denyse Morrissey, Chief Administrative Officer, B.A; M.P.A., Town of Shelburne
David Dagenais, General Manager, S. Burnett & Associates Limited
Stephen Burnett, Principal, S. Burnett & Associates Limited

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