



The Regional Municipality of Durham Report

To: Works Committee
From: Commissioner of Works
Report: #2023-W-2
Date: January 11, 2023

Subject:

Tender Award and Additional Financing for Regional Municipality of Durham Contract #D2022-34 for Roundabout Construction on Bowmanville Avenue (Regional Road 57) at the Regional Road 3/Concession Road 8 Intersection, in the Municipality of Clarington

Recommendations:

That the Works Committee recommends to Regional Council:

- A) That the low compliant bid of Hard-Co Construction Ltd. in the amount of \$4,960,341* be awarded for Regional Municipality of Durham Contract #D2022-34 for Roundabout Construction on Bowmanville Avenue (Regional Road 57) at the Regional Road 3/Concession Road 8 Intersection, in the Municipality of Clarington, resulting in a total estimated project cost of \$7,708,142;
- B) That the previously approved project budget of \$5,469,247 for Regional Municipality of Durham Contract #D2022-34 be increased by \$2,238,895 to a revised total project budget of \$7,708,142;
- C) That the funding for the additional project commitments in the amount of \$2,238,895 be provided as follows:

Previously Approved Financing

Municipality of Clarington	\$19,247
Roads Capital Budget (Project ID; R1603)	
Residential DC	\$3,413,700
Commercial DC	\$412,200

Industrial DC	\$219,600
Road Capital Reserve	<u>\$1,404,500</u>
Total Regional Financing	\$5,450,000
Total Previously Approved Financing	<u>\$5,469,247</u>
Proposed Additional Financing	
Municipality of Clarington	\$10,599
2022 Regional Roads Program	
Residential DC, at the discretion of the Commissioner of Finance	\$1,395,731
Commercial DC, at the discretion of the Commissioner of Finance	\$168,533
Industrial DC, at the discretion of the Commissioner of Finance	\$89,786
Property tax sources, at the discretion of the Commissioner of Finance	<u>574,246</u>
Total Additional Regional Financing	\$2,228,296
Total Proposed Additional Financing	<u>\$2,238,895</u>
Total Revised Financing	<u>\$7,708,142</u>

Report:**1. Purpose**

- 1.1 The purpose of this report is to obtain approval for additional financing and to award Regional Municipality of Durham (Region) Contract #D2022-34 for roundabout construction on Bowmanville Avenue (Regional Road 57) at the Regional Road 3/Concession Road 8 intersection, in the Municipality of Clarington (Clarington).
- 1.2 Dollar amounts followed by an asterisk (*) are before applicable taxes.

2. Project Background

- 2.1 The Region completed the detailed design for a roundabout on Bowmanville Avenue (Regional Road 57) at Regional Road 3/Concession Road 8 in Clarington. The proposed work will include the construction of a roundabout at the intersection of Bowmanville Avenue (Regional Road 57) and Regional Road 3/Concession Road 8. The work will include grading, new pavement, storm sewers, culverts, roadway illumination, concrete sidewalk ramps, and the removal of the existing temporary traffic signals. It is anticipated that construction will start in the spring of 2023.

3. Tender Information

- 3.1 Tenders were received for Regional Contract #D2022-34, for Roundabout Construction at Bowmanville Avenue (Regional Road 57) and Regional Road 3/Concession Road 8 in Clarington, on November 17, 2022, with nine compliant bids. The tenders received are as follows:

Bidder	Total Tender Amount*
Hard-Co Construction Ltd.	\$4,960,341
KAPP Infrastructure Inc.	\$4,989,377
Fermar Paving Ltd.	\$5,030,065
Primrose Contracting (Ont.) Inc.	\$5,144,000
Elirpa Construction & Materials Ltd.	\$5,459,279
Dufferin Construction Company	\$5,691,619
GIP Paving Inc.	\$5,932,056
Trisan Construction	\$6,756,095
Dig-Con International Ltd.	\$7,984,465

- 3.2 The total approved budget is \$5,469,247. The lowest compliant bid amount for the project, plus engineering and contract administration services, Regional costs, and contingencies total \$7,708,142. The difference between the tendered and budgeted amount is due to global inflation pressures caused by supply chain disruptions and cost increases in labour, equipment, and material.

- 3.3 It is recommended that the lowest compliant bidder, Hard-Co Construction Ltd., be awarded Regional Contract #D2022-34.

4. Financial Implications

- 4.1 Section 15.3 of the Region's Budget Management Policy states that the approval of the applicable Standing Committee and Regional Council for additional project financing requirements exceeding \$250,000 prior to the award of the applicable contract is required.

- 4.2 The proposed changes to the project costs are as follows:

Project Component	Approved Project Budget R1603	Approved Municipal Illumination Budget	Total Approved Project Budget	Proposed Change R1603	Proposed Municipal Illumination Change	Total Change	Revised Total Budget
Tender (excluding taxes)	\$3,291,716	\$14,575	\$3,306,291	\$1,645,378	\$8,672	\$1,654,050	\$4,960,341
Net HST	\$57,934	\$256	\$58,190	\$28,959	\$152	\$29,111	\$87,301
Engineering/ Property/ Utilities/ Contract Admin	\$1,701,791	\$2,958	\$1,704,749	\$254,491	\$867	\$255,358	\$1,960,107
Contingency	\$398,559	\$1,458	\$400,017	\$299,468	\$908	\$300,376	\$700,393
Total Costs	\$5,450,000	\$19,247	\$5,469,247	\$2,228,296	\$10,599	\$2,238,895	\$7,708,142

- 4.3 Financing for the award of Regional Contract #D2022-34, Roundabout Construction on Bowmanville Avenue at the Regional Road 3/Concession Road 8 Intersection, is available from the following sources:

Previously Approved Financing

Municipality of Clarington

\$19,247

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Residential DC	\$3,413,700
Commercial DC	\$412,200
Industrial DC	\$219,600
Road Capital Reserve	<u>\$1,404,500</u>
Total Regional Financing	\$5,450,000
Total Previously Approved Financing	<u>\$5,469,247</u>
Proposed Additional Financing	
Municipality of Clarington	\$10,599
2022 Regional Roads Program	
Residential DC, at the discretion of the Commissioner of Finance	\$1,395,731
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Total Proposed Additional Financing	<u>\$2,238,895</u>
Total Revised Financing	<u>\$7,708,142</u>

5. Conclusion

- 5.1 It is recommended that the low compliant bidder, Hard-Co Construction Ltd., be awarded Regional Contract #D2022-34 for roundabout construction at Bowmanville Avenue (Regional Road 57) and Regional Road 3/Concession Road 8, in the Municipality of Clarington.

- 5.2 It is also recommended that the reallocation of funding at the discretion of the Commissioner of Finance to provide additional financing in the amount of \$2,228,296 be approved.
- 5.3 This report has been reviewed by the Finance Department and the Commissioner of Finance concurs with the financial recommendations.
- 5.4 For additional information, please contact Dan Waechter, Manager, Construction Management Services, at 905-668-7711 extension 3550, or Reid McGregor, Manager, Transportation Design, at 905-668-7711 extension 3502.

Respectfully submitted,

Original signed by:

John Presta, P.Eng., MPA
Commissioner of Works

Recommended for Presentation to Committee

Original signed by:

Elaine C. Baxter-Trahair
Chief Administrative Officer