Minutes - Executive Policy Committee - June 20, 2007

Minute No. 410
Report - Standing Policy Committee on Infrastructure Renewal and Public Works – June 20, 2007

Item No. 1 **Award of Contract for 2007 Regional and Local Streets Program - St. Anne's Road Reconstruction - 280m south of Southglen Boulevard to Aldgate Road**
(St. Vital Ward)
File GL-9

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submits the following to Council:

1. That the surplus remaining available funds from the 2006 Capital, St. Anne's Road from Woodydell Avenue to Southglen Boulevard, be reallocated as a funding source for 2007 St. Anne's Road from Southglen Boulevard to Aldgate Road Project.

2. That $500,000.00 funding in the 2007 Capital Program be transferred from the Sand/Salt Storage Facility to St. Anne's Road from Southglen Boulevard to Aldgate Road Project.

3. That a Contract be awarded to Borland Construction Inc., which firm submitted the lowest evaluated responsive bid meeting all requirements of the published Bid Opportunity, in the estimated amount of $5,132,954.00 plus G.S.T., based on the Unit Prices identified in the low bidder's Bid Opportunity submission for 2007 Regional and Local Streets Program - St. Anne's Road Reconstruction - 280 M South of Southglen Boulevard to Aldgate Road - Bid Opportunity No. 307-2007.

4. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report - Standing Policy Committee on Infrastructure Renewal and Public Works – June 20, 2007

DECISION MAKING HISTORY:

Moved by Councillor Clement,

That the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On June 20, 2007, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the administrative recommendation and submitted the matter to the Executive Policy Committee and Council.

RE: AWARD OF CONTRACT FOR 2007 REGIONAL AND LOCAL STREETS PROGRAM - ST. ANNE'S ROAD RECONSTRUCTION - 280 M SOUTH OF SOUTHGLEN BOULEVARD TO ALDGATE ROAD - BID OPPORTUNITY NO. 307-2007

FOR SUBMISSION TO: Standing Policy Committee on Infrastructure Renewal & Public Works

ORIGINAL REPORT SIGNED BY: L.S.W. Larkin P. Eng., Director of Public Works

REPORT DATE: June 11th, 2007

RECOMMENDATION:

1. That the surplus remaining available funds from the 2006 Capital, St. Anne's Road from Woodydell Avenue to Southglen Boulevard, be reallocated as a funding source for 2007 St. Anne's Road from Southglen Boulevard to Aldgate Road Project.
2. That $500,000.00 funding in the 2007 Capital Program be transferred from the Sand/Salt Storage Facility to St. Anne's Road from Southglen Boulevard to Aldgate Road Project.
3. That a Contract be awarded to Borland Construction Inc., which firm submitted the lowest evaluated responsive bid meeting all requirements of the published Bid Opportunity, in the estimated amount of $5,132,954.00 plus G.S.T., based on the Unit Prices identified in the low bidder's Bid Opportunity submission for 2007 Regional and Local Streets Program – St. Anne's Road Reconstruction – 280 M South of Southglen Boulevard to Aldgate Road - Bid Opportunity No. 307-2007.

Report Summary

Key Issues:

Implications of the Recommendation(s):

General Implications

X	None
	For the organization overall and/or for other departments
	For the community and/or organizations external to the City
	Involves a multi-year contract

Comment(s):

Policy Implications

X	No
	Yes

Comment(s):

Regulatory Implications

X	None
	Eliminates or reduces regulatory impact
	Proposes regulatory impact

Comment(s):

Environmental Implications

X	No
	Yes

Comment(s):

Human Resources Implications

X	No
	Yes

Comment(s):

Financial Implications

	Within approved current and/or capital budget
X	Current and/or capital budget adjustment required

Comment(s): The administration requires the Standing Policy Committee on Infrastructure Renewal and Public Works to approve to use the remaining St. Anne's Road funds included in the 2006 Capital and to transfer funds to the project.

Report

REASON FOR THE REPORT:

As there are not sufficient funds in the approved budget, the Standing Policy Committee on Infrastructure Renewal & Public Works may reallocate funds and when sufficient funding is available award the contract.

HISTORY:

The 2006 Regional Street Improvement for St. Anne's Road from Novavista Drive to Southglen Boulevard had an approved budget of $3,434,000.00.

The 2007 Capital Budget adopted by Council on January 25th, 2007 includes funding for the 2007 Regional Street Improvements for St. Anne's Road, Southglen Boulevard to Aldgate Road, in the amount of $5,600,000.00.

The 2007 Capital Budget adopted by Council on January 25th, 2007 includes funding for Sand/Salt Storage Facility in the amount of $1,000,000.00.

DISCUSSION:

Based on the lowest Bid Opportunity submission by Borland Construction Inc., the total cost related to the above contract award, including contract works, engineering, contingencies, utilities, engineering administration and administration and finance is estimated to be $6,330,000.00.

Final receipt of bids was 12:00 noon on Wednesday, May 16th, 2007. Two (2) bids were received as follows:

Borland Construction Inc.	$5,132,954.00
Nelson River Construction Inc.	$5,874,900.00

The Bid Opportunity recommended for acceptance is the lowest evaluated responsive bid meeting all requirements of the Bid Opportunity package.

The financial status of the project is as follows:

Authorized Funding

2007 Regional Street Improvement – St. Anne's Road:	$5,600,000.00
2006 Regional Street Improvement - St. Anne's Road (Surplus):	$230,000.00
2007 Sand/Salt Storage Facility (Budget Transfer):	$500,000.00
Total St. Anne's Road funding:	$6,330,000.00
Amount of this Award:	$5,132,954.00
Contingencies:	$ 237,096.00
Engineering:	$ 500,000.00
Testing:	$ 27,000.00
Traffic Services:	$ 20,800.00
Land Surveys	$ 7,000.00
Forestry:	$ 8,100.00
Traffic Signals	$ 117,375.00
Manitoba Hydro	$ 116,000.00
Manitoba Hydro (Gas):	$ 30,000.00
MTS	$ 4,900.00
Finance:	$ 75,070.00
Administration:	$ 53,705.00
Estimated Total St. Anne's Road Project Cost:	$6,330,000.00
Estimated Surplus:	NIL

The lapse date for the award of this Contract is July 15th, 2007.

The Manager of the Materials Management Division has advised that a bid bond and an agreement to bond accompanied each of the Bid Opportunity submissions. Legal Services has certified all of the bid securities. The Departmental Controller has confirmed that the funds are approved and available. The proposed Contractor is certified in the Certificate of Recognition (COR) program with the Manitoba Heavy Construction Association (Registration Number MH 031103B).

The Engineering staff of the Department and the Engineering Consultant have reviewed the work with the lowest evaluated responsive Bidder who has indicated that the firm has the necessary resources to perform all of the Work in accordance with the requirements of the published Bid Opportunity Package. The Contractor has satisfactorily carried out previous construction works of a similar nature for the City of Winnipeg. In the opinion of the Department, the proposed contractor has the skills and resources to satisfactorily complete the Work.

It is, therefore, recommended that a Contract be awarded to Borland Construction Inc., which firm submitted the lowest evaluated responsive bid meeting all requirements of the published Bid Opportunity, in the estimated amount of $5,132,954.00 plus G.S.T., based on the Unit Prices identified in the low bidder's Bid Opportunity submission for 2007 Regional and Local Streets Program St. Anne's Road Reconstruction 280 M South of Southglen Boulevard to Aldgate Road, Bid Opportunity No. 307-2007.

In order to use the remaining funding in the 2006 St. Anne's Road, Novavista Drive to Southglen Boulevard project to the north, it is necessary for the Standing Policy Committee on Infrastructure Renewal & Public Works to authorize the use of these funds. It is therefore recommended that the remaining available funds from the 2006 Capital, St. Anne's Road from Woodydell Avenue to Southglen Boulevard, be reallocated as a funding source for 2007 St. Anne's Road from Southglen Boulevard to Aldgate Road Project.

The construction of the new Sand/Salt Storage Facility will not proceed to construction until 2008. It is proposed that $500,000.00 be transferred from the Sand/Salt Storage Facility to St. Anne's Road to cover the remaining funding requirements. The replacement of this funding will be addressed in the proposed 2008 Capital Program submission. It is therefore recommended that $500,000.00 funding in the 2007 Capital Program be transferred from the Sand/Salt Storage Facility to St. Anne's Road from Southglen Boulevard to Aldgate Road Project.

Financial Impact Statement

Date: June 8, 2007

Project Name:

First Year of Program **2007**

Award of Contract for 2007 Regional and Local Streets Program St. anne's Road Reconstruction 280M South of SouthglenBoulvard to Aldgate Road.

	2007	2008	2009	2010	2011
Capital					
Capital Expenditures Required	$ 6,330,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	6,330,000	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ 419,615	$ 419,615	$ 419,615	$ 419,615
Less: Incremental Revenue/Recovery	128,775	-	-	-	-
Net Cost/(Benefit)	$ (128,775)	$ 419,615	$ 419,615	$ 419,615	$ 419,615
Less: Existing Budget Amounts	(128,775)	419,615	419,615	419,615	419,615
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: PW Street Improvements Project # 1832000407. Debt and Finance costs are applicable to the City's Internal funded portion of the project. Developer Funding has been confirmed with Property, Planning & Development

"Original Signed by Darcy Stewart, CA"
Manager of Finance & Administration

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

Corporate Finance – Materials Management Division
Internal Services – Legal Services Division

External Consultation With: N/A

THIS REPORT SUBMITTED BY:

Department: Public Works Department
Division: Transportation Engineering Division .....
Prepared by: F. Corey, P. Eng..... 986-5057
Processed by: K. Ross 986-4141
File No.: 07-B-01
File Name: