

CITY OF ELLIOT LAKE



CITY COUNCIL - SPECIAL MEETING  
AGENDA

07-20-2020

Monday, July 20, 2020

6:00 pm

Virtual Meeting

Pages

1. CALL TO ORDER
2. ROLL CALL
3. DECLARATIONS OF CONFLICT OF INTEREST
4. PUBLIC PRESENTATIONS
5. CORRESPONDENCE LIST
6. REPORTS
  - 6.1 Report from the Director of Public Works 2  
re: Recommendation to award tender for the Pine/Poplar Construction Project
7. NOTICES OF MOTION
8. OTHER BUSINESS
9. PUBLIC QUESTION PERIOD
10. CLOSED SESSION BUSINESS
11. BY-LAWS
  - 11.1 By-Law 20-51 6  
Being a by-law to to confirm the proceedings of Council at its meeting held July 20, 2020
12. ADJOURNMENT



## STAFF REPORT

### REPORT OF THE DIRECTOR OF PUBLIC WORKS FOR THE CONSIDERATION OF COUNCIL

#### OBJECTIVE

To provide Mayor and Council with information regarding results of the Tender Contract OPS2020-1 Pine & Poplar Road Improvement Project.

#### RECOMMENDATION

**THAT** the report of the Director of Public Works dated July 19, 2020 be received;

**AND THAT** the Pine & Poplar Road improvements contract be awarded to the low bidder, being Leroy Construction in the amount of \$3,421,534.91 (including HST)

**AND THAT** Council approve an additional amount of \$338,187 + HST (in addition to the existing capital budget for the project in the 2020 municipal budget) to move forward with the Pine & Poplar Road Improvement project

**AND THAT** the additional amount be taken from the water/waster water reserve (if needed following the project)

Respectfully Submitted

Approved

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Daryl Halloch  
Director of Public Works

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Daniel Gagnon  
Chief Administrative Officer

## BACKGROUND

In early 2020, a tender package for Pine and Poplar road improvements was prepared but there was a delay in the ECA application process by the Ministry of Environment (MoE) due to the Covid 19 pandemic, and hence the tender was also delayed. With the MoE returning back to the office, this resulted in the ECA application being approved in late May. Council then approved to once again post the tender with the knowledge that the project would start in early August and be completed in 2021.

The Pine & Poplar road project is the second major infrastructure project in a 10-year asset management plan that includes replacement of the asphalt road along with the aging underground infrastructure.

The MoE recommends we deal with the 25-year stockpile of asphalt stored at the former Senator Trailer Park. A stockpile of more usable crushed asphalt is desirable. Given those two issues, it was decided to tender Pine/Poplar in a shave and pave process that will reduce or eliminate the amount of disposable asphalt (that would only add to the Senator Park stockpile) and allow for a stockpile of crushed asphalt to help with shouldering and pothole repairs in the future. Also due to age, the decision was made to completely replace all sanitary pipes, laterals and the 300 meter forcemain along with the watermain and storm system.

With no concrete curbs and mainly a clay like subsurface, which was determined by geo technical sampling, the awarded contractor should be able to work further into the fall season, resulting in majority of the project being completed in 2020.

## ANALYSIS

Further to the tender openings for the Pine Road and Poplar Road Improvements Project, opened on July 13, 2020. Tulloch engineering provided a review of the bids submitted. A total of five (5) bids were received for the reconstruction contract with the total tender prices (HST included) as follows:

| CONTRACTOR                          | TENDER BID (HST INCLUDED) |
|-------------------------------------|---------------------------|
| Leroy Construction                  | <b>\$3,421,534.91</b>     |
| J.I. Enterprise                     | <b>\$3,647,204.61</b>     |
| Algoma Bio-Septic Technologies Inc. | <b>\$3,681,586.21</b>     |
| R.M. Belanger                       | <b>\$4,597,637.33</b>     |
| Beamish Construction                | <b>\$4,657,455.40</b>     |

Therefore, the low bid was submitted by Leroy Construction in the amount of **\$3,421,534.91 (\$3,027,907.00 + HST of \$393,627.91)**. The supporting documentation provided by Leroy Construction meets the tender requirements.

Tulloch Engineering worked with Leroy Construction this past year on a project of similar scope to this project which was completed successfully. Tulloch Engineering is confident that Leroy Construction has the necessary resources and ability to complete this project successfully.



In reviewing the Construction Budget Estimate prepared in February of 2020, we estimated the construction costs to be approximately \$4,545 per linear metre. The low bid received works out to be approximately \$4,883 per linear metre, or about 9% higher than budgeted. The chart below details the comparison, which shows the main differences being the Roadwork and the Sanitary Forcemain items.

| Project Coponent   | Pine Rd \$/meter | Poplar Rd  | Budgeted \$/meter |
|--------------------|------------------|------------|-------------------|
| Roadwork           | \$1,697.55       | \$1,705.45 | \$1,266.77        |
| Storm Sewer        | \$881.68         | \$763.06   | \$541.94          |
| Sanitary Sewers    | 796.54           | \$1,022.55 | \$1,322.58        |
| Watermain          | 1,039.65         | \$1,285.31 | \$1013.42         |
| Sanitary Forcemain | N/A              | \$732.78   | \$400.00          |

As the three lowest bidders for the works were within 8% of each other, this would indicate that the submitted pricing is realistic for infrastructure projects of this type in the north. It is recommended that for future budgeting, the City consider budgeting based on those received for this tender.

Due to the fact there is a major natural gas line running along the current mains, more time and money was budgeted in the fact that several hydro poles will need to be relocated to install the new watermain and sanitary pipes. Add in some inflation (Valley was tendered in 2018) and the COVID pandemic, and the tendered prices are reasonable. For information purposes, the sanitary sewer replacement over lining, manhole rehabilitation and service repairs, increase the approximate costs to \$4,500/m. With the increase in Contingency from \$100,000 for the Valley/Hemlock to \$300,000 for the Pine/Poplar project, this is where we come up with the discretion in pricing from the estimated amount to the tendered amount shown in the chart above.

## FINANCIAL IMPACT

The 2020 Capital Budget process was estimated to cost a combined total of **\$2,849,720 + HST** as shown in the Chart Below but also included a Contract Administration & Inspection cost of **\$160,000** which involves an inspector 8 hrs/day, 5 days per week. Construction certification, testing, payment recommendations, City & Ministry reporting, dispute resolutions, Estimating 30m per week construction progress.

| Divisions of Project | Cost of Lowest Bid | Estimated Cost | Difference in cost   |
|----------------------|--------------------|----------------|----------------------|
| Roads                | \$1,022,006.97     | \$785,400      | <b>-\$236,606.9</b>  |
| Storm                | \$476,815.37       | \$336,000      | <b>-\$140,815.37</b> |
| Sanitary             | \$577,368.86       | \$820,000      | \$242,631.14         |
| Watermain            | \$731,882.17       | \$628,320      | <b>-\$103,562.17</b> |



|             |                    |                    |                   |
|-------------|--------------------|--------------------|-------------------|
| Forcemain   | \$219,833.63       | \$120,000          | -\$99,833         |
| Engineering | <b>\$160,000</b>   | <b>\$160,000</b>   |                   |
| Total       | <b>\$3,187,907</b> | <b>\$2,849,720</b> | <b>-\$338,187</b> |

Note, the forcemain is based on 300m length to be installed

Tendered costs include the \$300,000 Contingency Amount, distributed amongst all components based on percentage of overall costs.

The extra cost of \$338,187. + HST can be budgeted to the Water/Wastewater reserve

### LINKS TO STRATEGIC PLAN

The Public Works Department has a 10 Year Plan for infrastructure Replacement. This Plan identifies and prioritizes those locations where infrastructure has exceeded its life cycle and repairs are becoming cost prohibitive.

Undertaking of infrastructure projects is consistent with the Strategic Plan commitment toward “Continued Investment into Infrastructure”. This report serves to assist in “educating the public on infrastructure operations, repair and replacement”.

### SUMMARY

Staff is recommending that Council award the Pine & Poplar Road improvement project OPS2020-01 to Leroy Construction for \$3,027,907 plus HST and approve the additional amount of \$338,187 plus HST (which includes engineering costs of \$160,000) from the Water/wastewater reserve for reasons stated above.



**THE CORPORATION OF THE CITY OF ELLIOT LAKE**

***B*Y-LAW NO. 20-51**

Being a By-Law to Confirm the Proceedings  
of Council at its Meeting held on July 20,  
2020

**WHEREAS** the Council of The Corporation of the City of Elliot Lake has held a Council Meeting on July 20, 2020 and seeks to confirm all of its actions ;

**NOW THEREFORE** the Council of The Corporation of the City of Elliot Lake hereby enacts as follows:

1. **THAT** all of the actions of Council at its meeting held on July 20, 2020 in respect of each recommendation contained in all Report and in respect of each motion, resolution and other action passed and taken by the Council at its said meeting is hereby adopted, ratified and confirmed.
2. **THAT** the Mayor and appropriate officials of the Corporation are hereby authorized and directed to do all things necessary to give effect of each of the said actions, motions and resolutions or to obtain approvals where required.
3. **THAT** except where otherwise provided, all documents required to be signed on behalf of the Corporation shall be signed by the Mayor or by the Acting Mayor and by the City Clerk, and the City Clerk is hereby authorized and directed to affix the seal of the Corporation to all such documents.
4. **THAT** this By-law, to the extent to which it provides authority for or constitutes the exercise of the Council of its powers to proceed with, or to provide any money for any undertaking, work, project, scheme, act, matter or thing which requires an approval in addition to the approval of Council, shall not take effect until the additional approval has been obtained.
5. **THAT** this By-law shall come into force and take effect on the date of its passing.

**PASSED** this 20<sup>th</sup> Day of July, 2020

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**MAYOR**

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**CITY CLERK**