

# STAFF REPORT

THE CORPORATION OF THE TOWN OF COBOURG



<b>Report to:</b>	Mayor and Council Members	<b>Priority:</b>	<input checked="" type="checkbox"/> High <input type="checkbox"/> Low
<b>Submitted by:</b>	Terry Hoekstra Manager of Engineering Public Works thoekstra@cobourg.ca	<b>Meeting Type:</b>	Open Session <input checked="" type="checkbox"/> Closed Session <input type="checkbox"/>
<b>Meeting Date:</b>	July 11, 2022		
<b>Report No.:</b>	Public Works-129-22		
<a href="#">Submit comments to Council</a>			

**Subject/Title: Award of Various Watermain and Sanitary Sewer Improvements, Contract WC2022-016**

## RECOMMENDATION:

THAT Council award contract WC2022-016 Various Watermain and Sanitary Sewer Improvements to Behan Construction Limited for the Town's contribution to the project in the amount of \$326,675.08 excluding HST to be funded by the sanitary sewer reserve.

### 1. STRATEGIC PLAN

Invest in programs, services and infrastructure to make Cobourg more accessible.

### 2. PUBLIC ENGAGEMENT

Public notice was posted on Town web site and each local resident received hand delivered notices directing to the web site to review the design drawings and the opportunity to provide comment or ask questions. Local residents will receive a notice prior to construction commencement providing details on the upcoming construction.

### 3. PURPOSE

Council approval is required to award contracts for approved capital project works.

## 4. ORIGIN AND LEGISLATION

2022 Capital Projects and Purchasing Policy

## 5. BACKGROUND

Town of Cobourg 2022 capital budget included for the design and construction of sanitary sewer replacements on Rankin Boulevard and Campbell Street (north of University Ave. E.). This project was coordinated with LUSI 2022 capital budget which included for watermain replacements on five (5) streets including Rankin Boulevard, Campbell Street, Green Street (Queen St, to King St. E.), Furnace Street (East of Ball Street to dead end) and Alexandria Drive (D'Arcy Street to 200m easterly). LUSI was responsible for tendering the overall project and related watermain installation costs including restoration.

## 6. ANALYSIS

There was a single bid received by LUSI and the sole bidder was Behan Construction Limited in the amount of \$1,975,963.21 (Excl HST). The bid included for watermain and sanitary replacements on Rankin Boulevard and Campbell Street and watermain replacement only on Green Street, Furnace Street and Alexandria Drive.

The Town portion of the above amount for Rankin Boulevard and Campbell Street would be \$654,147.81 (Excl. HST) which is above the 2022 capital budget amount of \$430,000. Covid related increases in materials and labour costs as well as a shortage of available contractors are primarily responsible for the higher than anticipated costs.

Engineering and LUSI staff reviewed the costs associated with the five (5) locations as tendered and determined it would be preferred to reduce the scope of work to stay within the 2022 budget and only complete three (3) of the five (5) projects in 2022, those being the watermain/sanitary sewer replacement on Rankin Boulevard and just the watermain on Furnace Street and Green Street. The remaining projects (Campbell and Alexandria) would be deferred to 2023. This scope reduction would bring the total costs under the 2022 budgets for both the Town and LUSI.

Engineering has chosen to complete Rankin Boulevard under this contract due to the proximity to the high school where most of the work can be completed during the summer months. We have secured a temporary parking arrangement for residents at a nearby vacant property under a development application process and will likely not be available in the future.

## 7. FINANCIAL IMPLICATIONS/BUDGET IMPACTS

The single bid from Behan Construction Limited would result in a Town contribution for construction activities in the amount of \$654,147.81 (Excl. HST) which exceeds the 2022 budget amount of \$430,000. Completing the Rankin Boulevard sanitary sewer replacement solely would be under the approved budget at a total cost of \$419,300.00. This would include construction, unrecoverable HST, contract administration, inspection, materials testing and contingency.

Funding would be from the sanitary reserve fund and is within the 2022 budget.

## **8. CONCLUSION**

The Town portion of the project was higher than the approved 2022 capital budget for both Rankin Boulevard Campbell Street. Upon removal of the Campbell Street scope of work, the works required for Rankin Boulevard will proceed in 2022 and costs are within the approved budget for 2022.

## Report Approval Details

Document Title:	Award of Various Watermain and Sanitary Sewer Improvements, Contract WC2022-016 - Public Works-129-22.docx
Attachments:	
Final Approval Date:	Jun 29, 2022

This report and all of its attachments were approved and signed as outlined below:

**Tracey Vaughan, Chief Administrative Officer - Jun 29, 2022 - 4:44 PM**