



Subject: Tender Results - RFT2024-005-R – QTL Retaining Wall

Report Number: OPD 24-043

Department: Operations and Development Department

Submitted by: Leo Ferreira, Manager of Engineering

Meeting Type: Council Meeting

Meeting Date: Monday, July 8, 2024

RECOMMENDATION

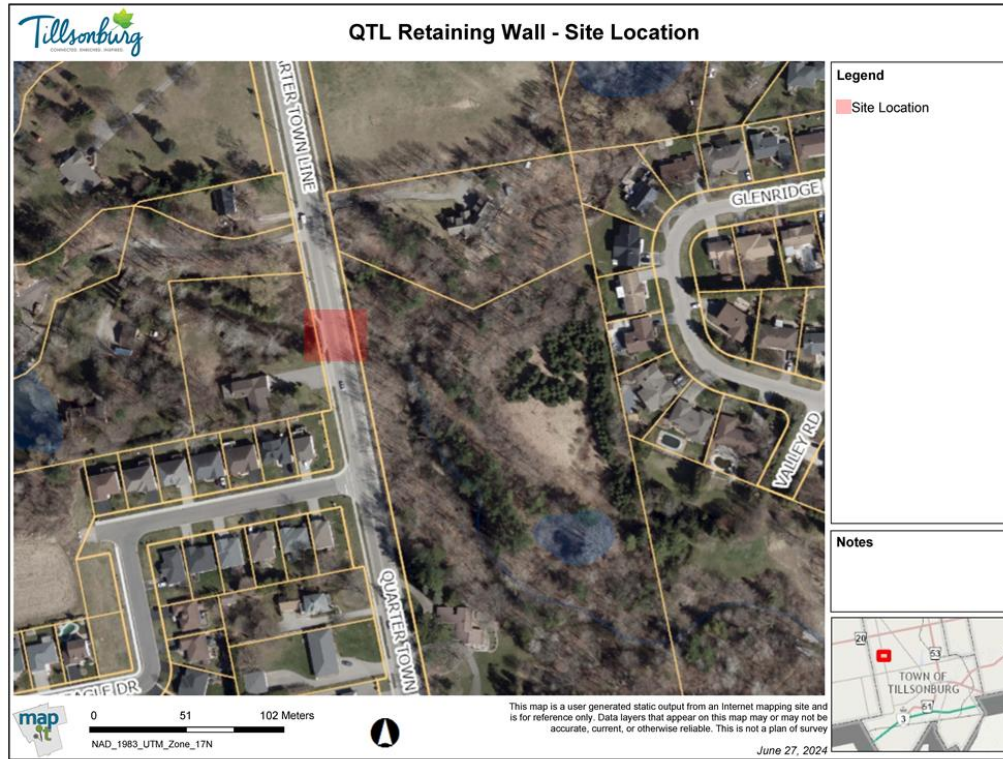
- A. THAT report OPD 24-043 titled “Tender Results – RFT2024-005-R – QTL Retaining Wall” be received as information; and
- B. THAT staff be directed to reallocate the dedicated 2024 funds from Capital Project #233 - Charlotte and Clarence Reconstruction to Capital Project #194 - Retaining Wall Reconstruction at Beech Blvd and Quarter Town Line in the amount of \$545,011.30 inclusive of an additional \$25,000 be added to the project for the purposes of hydro pole relocation; and
- C. THAT the contract for RFT2024-005-R – QTL Retaining Wall be awarded to CH Excavating (2013) at a total project cost of \$1,653,206.90 (including HST); and
- D. THAT Geotechnical Engineer/Inspection services be awarded to Planmac at an additional cost of \$42,804.40 (including HST).

BACKGROUND

A tender was initially issued in March 2024 for Capital Project #194 - Retaining Wall Reconstruction at Beech Blvd and Quarter Town Line and as approved through the Town’s 2024 budget consideration. However, the bids received were significantly greater than the approved budget (\$1,176,000) subsequently the original 2024 tender was cancelled. For history, this was the second time in as many years that this tender was cancelled due to being over budget.

Staff uncovered that the originally approved budget and the carry forward budget from 2021 was for reconstruction of one retaining wall not two as tendered.

To realign the funding available, as a result, Town staff reduced the proposed scope from the reconstruction of two (2) retaining walls to the reconstruction of only the wall reported as most critical and was reissued for tendering in May 2024. The site location is identified as per the following and the subject retaining wall is on the west side of road:



DISCUSSION

A total of five (5) bids were received by the closing date of June 20, 2024 with the lowest bid being from CH Excavating (2013) of London, Ontario at a cost of \$1,653,206.90 (\$1,463,014.96 + \$190,191.94 HST).

The tender was advertised on Bids&Tenders. Results of the tender are summarized below:

	Bidder	Bid Amount (including HST)
1	CH Excavating (2013)	\$1,653,206.90
2	J-AAR Civil Infrastructures Limited	\$2,027,978.79
3	Eyeco Inc.	\$2,189,554.67
4	Schouten Excavating Inc.	\$2,218,100.82
5	Rodas McKnight Constructors Inc.	\$2,251,224.99

Furthermore and due to the depth of the proposed/necessary reconstruction of the subject retaining wall, 6 metres (+), and factoring in the necessary engineered fill the project will require a fulltime Geotechnical Engineer/Inspector on site to ensure compaction etc. (i.e. though densometer). To this effect and through the retained engineering consultant

assigned to the project, Planmac, an additional cost escalation of \$42,804.40 (including HST) is being requested to be applied to the project. Lastly and due to neighboring encroachment concerns on private property, a hydro pole has been identified to be relocated that was not originally factored into the project; to this effect an additional cost of \$25,000.00 will be required/applied to the project. The consolidation of these additional cost will have the following effect on the project overall:

Project Cost Analysis/Impact		
CH Excavating	\$1,653,206.90	Including HST
Geotechnical Engineer/Inspector	\$42,804.40	
Hydro Pole Relocation (by THI)	\$25,000.00	
Total	\$1,721,011.30	

CONSULTATION

External: As part of proper communication process, letters will be sent to residents to advise them of this project.

Internal: Director of Operations and Development, Manager of Engineering, Operations Technologist, Purchasing Coordinator, and Interim Director of Finance / Treasurer.

FINANCIAL IMPACT/FUNDING SOURCE

Through Council’s 2024 budget consideration, \$1,176,000 was allocated to this project, the lowest bid price, including non-refundable HST, is \$1,488,764.02, which is approximately \$312,764 greater than the approved budget (not including the geotechnical needs or hydro pole relocation).

Notably, this project was to be funded, in part, through Debt Proceeds (\$882,000) from Infrastructure Ontario. The original borrowing application and by-law was endorsed in 2020 where the Town’s application will mature/expire in November 2024 after which the Town will be unable to withdraw any unadvanced amounts from Infrastructure Ontario.

As such and instead of cancelling this project for a third time and due to insufficient funds, Staff propose to fund the current shortfall by deferring Capital Project # 233 - Charlotte and Clarence Reconstruction which closed on June 26, 2024 and is also over budget to the following effect:

Capital Project #233 - Charlotte and Clarence Reconstruction		
2024 Budget	Lowest Bid as of June 26, 2024	Budget Overage
\$2,814,900.00 (including HST)	\$3,337,366.00 (Including HST)	\$562,436.00

Ultimately and due to the potential loss of Debt Proceed funding through Infrastructure Ontario and in consideration that these “ear marked” debt cannot be reallocated per Infrastructure Ontario’s policies/procedures, Town staff is recommending that Capital Project #233 - Charlotte and Clarence Reconstruction be canceled in 2024 and funds be reallocated. Charlotte and Clarence reconstruction project, will be reevaluated and presented to Council in the 2025 budget process for future consideration.

Furthermore, Capital Project #233 - Charlotte and Clarence Reconstruction, has the following funding allocation/breakdown:

Capital Project #233 - Charlotte and Clarence Reconstruction		
2024 Budget	Town of Tillsonburg	Oxford County
\$2,814,900.00 (including HST)	\$1,519,300 (Including HST)	\$1,295,600 (Including HST)

To proceed with Capital Project #194 - Retaining Wall Reconstruction at Beech Blvd and Quarter Town Line the following allocation is proposed:

Proposed Reallocation		
To: Capital Project #194	From: Capital Project #233	Balance: Capital Project #233
\$545,011.30	\$545,011.30	\$974,288.70

CORPORATE GOALS

- Lifestyle and amenities
- Customer service, communication and engagement
- Business attraction, retention and expansion
- Community growth
- Connectivity and transportation
- Not Applicable

Does this report relate to a specific strategic direction or project identified in the Community Strategic Plan? Please indicate section number and/or any priority projects identified in the plan.

Goal – Tillsonburg residents and businesses will be connected to each other, regional networks, and the world through effective traditional and digital infrastructure.

Strategic Direction – Develop a robust, long-term asset management plan to inform evidence-based decisions on the maintenance, rehabilitation and replacement of municipal infrastructure.

Priority Project – *Ongoing Projects* - Asset Management

ATTACHMENTS

Appendix A – CH Excavating (2013)-RFT2024-005-R.pdf