



The Corporation of the Town of LaSalle

|                     |  |                           |                                |
|---------------------|--|---------------------------|--------------------------------|
| <b>Date</b>         | May 31, 2019                                   | <b>Report No:</b>         | PW-17-19                       |
| <b>Directed To:</b> | Mayor and Members of Council                   | <b>Attachments:</b>       | ~ Stantec Tender Report letter |
| <b>Department:</b>  | Public Works                                   | <b>Policy References:</b> |                                |
| <b>Prepared By:</b> | Peter Marra, P.Eng. – Director of Public Works |                           |                                |
| <b>Subject:</b>     | Heritage Estates Stormwater Improvements       |                           |                                |

**RECOMMENDATION:**

That Council concur and award the Heritage Estates Stormwater Improvements tender to J&J Lepera Infrastructure Inc. with the proviso of removing the provisional.

That Council approve the appropriate bylaw to allow for the execution of an agreement between the Town and J&J Lepera Infrastructure Inc. for this contract.

**REPORT:**

The Town went out for tender for the proposed Heritage Estates Stormwater Improvements. Tenders closed on May 28, 2019 and five submission were received. Stantec Consulting conducted a tender review and enclosed is a copy of their analysis.

The low bid was submitted by J&J Lepera Infrastructures Inc. with a corrected amount of \$5,557,771.00 (plus HST). It should be noted that this price includes all of the proposed playground and park upgrades that were subsequently added to the project.

This project was designed to provide for the improvements to the Heritage Estates area and to provide for the ultimate improved stormwater outlet for the proposed Oliver Farms upgrades as well.

## Financials/Budget Review

This project is subject to a grant. The original pre-design budget set for this project was for a total of \$3.0 million, of which \$1.5 million was from a grant and the Town budgeted for the other \$1.5 million through the 2019 budget session.

During the course of the detail design, and taking into account the major disruption to Heritage Park, the Town added \$0.6 million to the overall project budget to reconstruct the playground and completely rebuild the remaining portions of the park. Giving the overall approved budget of \$3.6 million.

Just prior to tendering, the Town and Stantec completed a new engineer's estimate and at that time we recognized that the \$3.6 million budget would fall short. Taking this into account, the Town made portions of the project provisional in nature so that this would allow the Town to get pricing, however, upon award of the contract would allow us to remove the provisional portions of the project in order to maintain costs close to the allocated budget.

The portions of this project that have been made provisional are those that provide for the improved outlet to the eventual future Oliver Farms improvements. These works are not need now, though, will be needed in the future when improvements in the Oliver Farms proceed. The following table provides a summary of base price versus provisional pricing.

Tender summary base price versus provisional price

|                   |                       | Status         | Note  |
|-------------------|-----------------------|----------------|---|
| Total Price       | \$5,557,771.00        |                |   |
| <b>Base Price</b> | <b>\$4,746,203.70</b> | <b>Proceed</b> | Includes contingency allowances and all work for park rebuild                       |
| Provisional Items | \$ 811,567.30         | Remove         | Will need to completed in the future to move forward with Oliver Farms improvements |

Identifying the base price is still not within budget, the following table summarizes how the project will be financed identifying the budgeted and unbudgeted for allocations:

| Funding Source   | 2019 Budget – identified for this project | In 2019 budget - but not originally intended for this project | Unbudgeted       | Total              |
|--|---|---|------------------|--------------------|
| NDMP Grant   | \$1,500,000                               |   |                  | \$1,500,000        |
| 2019 Capital Budget  | \$1,500,000                               |   |                  | \$1,500,000        |
| Approved Park Upgrade  | \$ 600,000                                |   |                  | \$600,000          |
| 2019 Mill & Pave Budget  |   | \$ 65,000   |                  | \$65,000           |
| Sanitary Sewer Budget  |   | \$ 86,000   |                  | \$86,000           |
| Additional Funding Required (Asset Replacement and Repair Reserve) |   |   | \$995,204        | \$995,204          |
| <b>Total</b>   | <b>\$3,600,000</b>                        | <b>\$151,000</b>  | <b>\$995,204</b> | <b>\$4,746,204</b> |

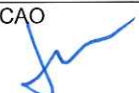

We have spoken with representative from J&J Lepera and they are okay with this process and removal of provisional items and have indicated that they are ready to proceed once awarded the contract.

Therefore, it is recommended that the contract be awarded to J&J Lepera with the proviso of removing the provisional items and that at the appropriate time in the meeting a bylaw be passed allowing for the execution of a contract between the Town and J&J Lepera.

Respectfully submitted,



Peter Marra, P.Eng.  
Director of Public Works

| Reviewed by:   |   |        |              |          |              |          |      |
|--|---|--------|--------------|----------|--------------|----------|------|
| CAO<br> | Treasury<br> | Clerks | Public Works | Planning | Cult. & Rec. | Building | Fire |



Legal Entity  
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May 30, 2019  
File: 165620163

The Corporation of the Town of Lasalle  
5950 Malden Road  
LaSalle, On  
N9H 1S4

**Attention: Peter Marra, P. Eng.**  
**Director of Public Works**

Dear Sir,

**Reference: Tender Report**  
**Heritage Estates Stormwater Improvements**

Tenders for the above referenced project were received at the Town of LaSalle offices until 12:00 pm Tuesday, May 28, 2019. A total of five (5) tenders were submitted, with the tenders opened publicly on that date. The tender amounts (excluding HST) are shown below.

| <u>CONTRACTOR</u>                     | <u>TENDER PRICE (Not<br/>Including HST)</u> |
|---------------------------------------|---|
| 1. J&J Lepera Infrastructures Inc.    | \$5,557,771.00*                             |
| 2. Coco Paving Inc.                   | \$5,956,211.00                              |
| 3. Amico Infrastructures Inc.         | \$6,068,950.00                              |
| 4. Sterling Ridge Infrastructure Inc. | \$6,242,049.20*                             |
| 5. D'Amore Construction (2000) Ltd.   | \$6,312,450.00                              |

\* - Denotes Corrected Totals

Four (4) Addenda were issued during tendering. All five tenderers noted that they had received the four (4) Addenda in their Form of Tender.

The tenders were checked for inconsistencies, omissions, unbalanced pricing and other items that would raise concerns. No major inconsistencies, omissions or unbalanced pricing were found in any of the tenders.

Statements "A" to "D" were completed by all tenderers as required.



May 30, 2019  
Peter Marra, P. Eng.  
Director of Public Works  
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The tenders were checked for mathematical errors. The following errors were noted:

J&J Lepera Infrastructure Inc. had multiplication errors in Section B. Amount values for item numbers 33 to 36 were incorrect. They were revised from \$782, \$1,564, \$3,909 and \$1,564 to \$1,584, \$3,080, \$7,818, and \$3,128 respectively. This changed the total for Section B from \$3,373,491.70 to \$3,381,262.70 and the total tender price (excluding HST) from \$5,550,000.00 to \$5,557,771.00. The HST and Total Tender Price were also revised to \$722,510.23 and \$6,280,281.23 due to the above noted changes.

Coco paving Inc. made an addition error when adding the 13% HST to the Total Price. The Total Tender Price including HST was revised from \$6,730,517.43 to \$6,730,518.43.

Amico Infrastructures Inc. had a multiplication error in Item B22 j). The amount value for this item was revised from \$146,625 to \$142,625, however, the totals of all sections were correct.

Sterling Ridge Infrastructure had multiplication errors in Section B. Amount values for item No. 5 c) & d) were revised from \$ 17,750.00 and \$16,500.00 to \$21,300.00 and \$13,750.00 respectively. This error changed the total for section B from \$4,157,026.60 to \$4,157,826.60 and the total tender price (excluding HST) from \$6,241,249.20 to \$6,242,049.20. The HST and Total Tender Price were also revised to \$81,146.40 and \$7,053,515.60 due to the above noted changes.

A 10% bid bond was included with all tenders as required.

MECP approval for the construction of sewers is a requirement for this project. MECP approval is expected to be received shortly. No work should commence until MECP approval is received and the Town should consider waiting for MECP approval before entering into an agreement with any contractor.

The engineer's Pre-Tender opinion of probable cost for this work was \$5,039,406.50.00 (excluding HST) which was based on historical prices for similar projects.

J&J Lepera Infrastructures Inc. was the low bidder for this project. The tender price of \$5,557,771.00 excludes HST and includes a total contingency allowance of \$199,850.00. The tender price also includes several provisional items that could be deleted from this contract. J&J Lepera Infrastructures Inc.'s bid is approximately 9.3 % higher than the engineer's opinion of probable cost, approximately 6.7 % lower than the second lowest tenderer and approximately 8.4% lower than the third lowest tenderer. J&J Lepera Infrastructures Inc.'s bid is also approximately 12.0 % lower than the highest tenderer, which is considered normal for this type of project.



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Peter Marra, P. Eng.  
Director of Public Works  
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In our opinion, **J&J Lepera Infrastructures Inc.** and their list of proposed subcontractors have the resources and experience to successfully complete this project. We have worked with them on other projects and those projects were completed within budget and on schedule.

We recommend the project be awarded to J&J Lepera Infrastructures Inc. at the unit prices indicated in the tender.

Feel free to call if you have any questions or require additional information.

Regards,

**STANTEC CONSULTING LTD.**

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