



The Corporation of the City of Cornwall
Regular Meeting of Council
Report

Department: Financial Services
Division: Purchasing
Report Number: 2020-242-Financial Services
Prepared By: Diane Leduc, Senior Buyer
Meeting Date: February 10, 2020
Subject: 19-T71 Brookdale Avenue North Sanitary Sewer Extension

Purpose

The purpose of this report is to seek Council approval to award a construction services contract for work required for the construction of the Brookdale Avenue North Sanitary Sewer Extension project to the lowest qualified bidder.

Recommendation

That tender 19-T71 be awarded to Louis W. Bray Construction Limited, from Vars, Ontario, at the total bid price of \$10,774,033.60 including provisional items (net cost to the Corporation – \$9,702,350.96) being the best bid meeting tender specifications.

In an event that a portion or all of the provisional items are not encountered during the course of construction, the respective items will be deleted from the total contract price.

Financial Implications

The City is responsible to finance costs associated with the capital works until project completion. The City does not have the funds in Reserves to financially support the project and will need to borrow short-term through the construction period. The City will borrow the funds required for the construction based on the revised capital cost estimate.

Upon completion, the final capital cost of servicing the Brookdale North area will be calculated and apportioned to each benefitting property through the imposition of Municipal Act (MA) Capital Charges and Area-Specific Development Charges (DCs). The City is responsible for costs associated with the uncommitted reserve capacity in the system for future growth. The City plans to finance its share of the capital costs.

Strategic Priority Implications

The project includes the expansion/extension of sanitary servicing along Brookdale Avenue North which addresses Economic Development and Pursuing Diverse Population Growth of 50,000: (4) Continue to Invest in Infrastructure and (5) Encourage Infill Project (e.g. Brookdale Avenue).

The Economic Development Strategic Plan supports ongoing efforts to attract new commercial and retail development; specifically, the Brookdale Avenue North Corridor.

Background / Discussion

The project involves the construction of the following to service the Brookdale Avenue North Corridor with sanitary sewer:

- New dual 250mm diameter (Ø) forcemain from Ninth Street West to Fourteenth Street West;
- New dual 250mm Ø forcemain from the proposed sanitary pumping station located northeast of the Canadian National (CN) railway and connecting to the existing twin 250mm Ø forcemain located at Tollgate Road West;
- New 450mm Ø gravity sanitary sewer from Tollgate Road West to the new sanitary pumping station located northeast of the CN railway;
- New sanitary pumping station including wet well, metering chamber, generator, access road, parking area, landscaping, etc., which is located northeast of the CN railway;
- Crossing of CN railway with new dual 250mm Ø forcemain and 450mm Ø gravity sanitary sewer using trenchless technologies;
- New 300mm Ø to 375mm Ø gravity sanitary sewer from the sanitary pumping station to the Highway 401 Corridor;
- New 250mm Ø gravity sanitary sewer from the south limits of the Highway 401 corridor to the north limits;
- Crossing of the Highway 401 on/off ramps and main highway with new 250mm Ø gravity sanitary sewer using trenchless technologies;

- New 250mm Ø gravity sanitary sewer from the north limits of the Highway 401 corridor to Cornwall Centre Road; and
- Roadway, ditch, boulevard, etc., reinstatement as required for the servicing of the corridor with sanitary sewer.

The original preliminary estimate prepared by Administration in late 2017 estimated the total capital cost for the Brookdale Avenue North Sanitary Sewer Extension project to be \$7M. The total estimated capital cost included not only construction related costs but also included project costs related to topographic and legal surveys, detail design services, contract administration services, geotechnical services, material testing, etc. The City's consultant, EVB Engineering, provided an updated Class 'A' estimate in 2020 of \$8.93M (net cost to the Corporation) for the construction of the project.

As noted above, the City proposed to recover the expansionary capital costs of servicing from benefitting properties within the servicing area through the imposition of Municipal Act (MA) Capital Charges and Area-Specific DCs. Properties with existing commercial development are to be charged an MA Capital Charge while vacant properties will to be charged an Area-Specific DC on future development. The costs of servicing the Brookdale Avenue North Lands were apportioned to the properties based on peak sanitary design flows and the respective cost recovery mechanism (MA Capital Charges versus Area-Specific DCs). The City is responsible for costs associated with the uncommitted reserve capacity in the system for future growth. The cost recovery calculations were prepared in late 2017 using an estimated total project cost of \$7M. Although the estimated total project cost has increased, Administration is proposing to recover the additional costs by updating the cost recovery calculations. The proposed revisions will be presented to Council by Administration.

Brookdale North Area-Specific D.C. By-law

The process of amending the Brookdale Avenue North Area-Specific DC By-Law to reflect updated capital costs and scope of work will involve issuing a DC Update Study and amending the By-Law 60 days prior to By-Law passage and the holding of a public meeting of Council prior to By-Law passage. The amending By-Law will also address other DC By-Law policies (e.g. residential vs. non-residential by-law definitions).



Municipal Act Capital Charges Study and By-law

Subsequent to the final costs of construction being known, a report will be prepared summarizing the legislative background and calculation of the connection charges to be imposed on properties with existing development. A Report and By-Law will also address implementation policies, such as payment terms.

The following tenders were received and opened by Purchasing Services on January 28, 2020:

Louis W. Bray Construction Limited, Vars, Ontario

Bid Price:	\$9,534,543.00
HST:	\$1,239,490.60
Total Bid Price:	\$10,774,033.60

Cornwall Gravel company Limited, Cornwall, Ontario

Bid Price:	\$13,492,762.62
HST:	\$1,754,059.14
Total Bid Price:	\$15,246,821.76

Document Title:	Tender 19-T71 Brookdale Avenue North Sanitary Servicing - 2020-242-Financial Services.docx
Attachments:	
Final Approval Date:	Feb 1, 2020

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

Nicole Robertson - Jan 31, 2020 - 11:47 AM

Bill de Wit - Jan 31, 2020 - 2:02 PM

Tracey Bailey - Jan 31, 2020 - 2:18 PM

Maureen Adams - Feb 1, 2020 - 3:14 PM