

Region of Waterloo

Corporate Services

Treasury Services (Procurement)

To: Regional Council

Meeting Date: April 19, 2023

Report Title: T2023-123 - Sawmill Road Reconstruction

1. Recommendation:

That the Regional Municipality of Waterloo take the following action with respect to T2023-123 – Sawmill Road Reconstruction, River Street to Snyder’s Flats Road, Bloomingdale, Township of Woolwich, Ontario as set out in report COR-TRY-23-011 dated April 19, 2023:

- 1) Accept the tender of Steed and Evans Ltd. in the amount of \$5,167,000.00 plus all applicable taxes;
- 2) Amend the capital budgets for project #05495 Sawmill Road, River Street to Snyder’s Flats Road and for project #07248 Sawmill Road at St. Charles Street, both as set out in Appendix A; and
- 3) Approve an increase in project cost of \$150,000 gross and \$0 net to facilitate work undertaken on behalf of Township of Woolwich.

2. Purpose / Issue:

Purchasing by-law 22-034 Section 9 item 3 requires Council approval for tenders in excess of \$150,000 but less than \$10,000,000 if the tender with the best overall cost that is compliant exceeds the budget for the acquisition of the goods and services and approval from Council to increase the budget is desired.

3. Strategic Plan:

Award of this contract meets the 2019-2023 Corporate Strategic Plan objective to improve road safety for all users under Strategic Focus Area 2, Sustainable Transportation.

4. Report Highlights:

- The following tenders were received:

Steed and Evans Limited	St. Jacobs, Ontario	\$5,167,000.00
Cox Construction Limited	Guelph, Ontario	\$5,294,224.74
E. & E. Seegmiller Limited	Kitchener, Ontario	\$6,599,927.00
Network Sewer and Watermain Ltd	Cambridge, Ontario	\$9,515,478.93

- The final date of acceptance for this tender is June 22, 2023.
- As the cost of the work exceeds the budget available in the 2023-2032 Transportation Capital Program, capital budget amendments are required (with funding from reserves and development charge reserve funds).
- A minor contract increase for the Township of Woolwich is also required.

5. Background:

Tenders were called for T2023-123 - Sawmill Road Reconstruction and were advertised on the Ontario Public Buyers Association website and on the Region's website.

The work under this contract includes complete road reconstruction with new concrete curb and asphalt roadway surface, widened to meet the current standards; on-road cycling lanes; new sidewalk; construction of traffic signals with a southbound left turn-lane at Charles Street; and drainage and storm sewer improvements.

Costs for the Sawmill Road project have increased since the 2023 budget was prepared. An evaluation of the bids received for T2023-123 identified significant cost increases when compared with 2023 budget estimates for roadworks (excavation, granular materials, asphalt, concrete) and underground sewers (excavation, plastic pipe, concrete pipe, concrete maintenance holes). This cost escalation is comparative when evaluated against other bids recently received by the Region.

6. Area Municipality Communication and Public/Stakeholder Engagement:

The public, stakeholders and Township staff were engaged during the planning and design stages of this project.

The public will be informed of traffic restrictions and road closures through information on the Region's website, notices delivered to area residents and businesses, social media updates, and road signs.

7. Financial Implications:

The cost of the work exceeds the budget available in the 2023-2032 Transportation Capital Program (\$4,165,400) by \$1,439,400. The additional costs will be funded from the Transportation Capital Reserve and the Roads Regional Development Charges Reserve Fund.

The Township of Woolwich is responsible for the costs associated with drainage improvements on River Street at Sawmill Road including 40 metres of road reconstruction. Township staff have indicated that sufficient funding is in place.

Detailed Financial Implications tables are included in Appendix A.

8. Conclusion / Next Steps:

Subject to Council approval, the work of this contract will begin May 5, 2023 with completion expected by July 2024.

Sawmill Road will be closed to through traffic during construction with local access maintained for residents, businesses and emergency vehicles. Through traffic will be directed by signs to detour routes.

9. Attachments:

Appendix A: Detailed Financial Implications

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Reviewed By: Lisa Evans, Manager, Procurement/Chief Purchasing Officer

Approved By: Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer