



Report to: General Committee

Report Date: January 26, 2015

SUBJECT: Award of Tender 187-T-14: Angus Glen Community Park
Construction – Final Phase

PREPARED BY: Rosemarie Patano, Senior Construction Buyer, Ext. 2990
Linda Irvine, Manager Parks and Open Space Development, ext. 2120

RECOMMENDATION:

- 1) THAT the report entitled “Award of Tender 187-T-14: Angus Glen Community Park Construction - Final Phase” be received;
- 2) THAT the Contract for Tender 187-T-14: Angus Glen Community Park Construction, be awarded to Mopal Construction Ltd., the lowest priced bidder, in the total amount of \$3,831,079.81 inclusive of HST;
- 3) THAT a contingency in the amount of \$229,864.79 (6%), inclusive of HST to cover any additional project costs, be approved and that authorization be granted to approve expenditures of this contingency amount up to the specified limit in accordance with the Expenditure Control Policy;
- 4) THAT the Urban Design Capital Administration Fee in the amount of \$166,121.01 be approved;
- 5) THAT the award, contingency and capital administration amounts in the total amount of \$4,227,065.61 be funded from the Angus Glen Community Park Construction – Project Account #9085 in the amount of \$3,440,444.50;
- 6) THAT the shortfall of \$786,621.11 be funded from the City-wide Soft Development Charges in the amount of \$707,959.00 (90%) and the Capital Contingency Account in the amount of \$78,662.11 (10%); and further,
- 7) AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to obtain approval to award the contract for Tender 187-T-14: Angus Glen Community Park Construction.

BACKGROUND:

The Phase I construction funding of the soccer field was approved in 2007; with the lit soccer field been constructed / completed. The funding for the design of this final phase of the park was approved in 2008. In 2009, Council approved funding for this project through the Capital Budget, with initial funding of \$4,430,300.00. In 2010, \$672,515.00 of that budget was transferred to project 9527 (Angus Glen Community Centre Tennis Courts and Structure) for construction of that facility leaving a revised budget of \$3,757,785.00 available for construction.

The Development Charges Background Study identifies \$1,385,994 for the future washroom pavilion, maintenance building, and associated servicing, landscaping, parking and administration. These future facilities were not included in the original 2009 budget approval which was for park development only.

However, staff recommends, in lieu of the City undertaking the construction of the park in multiple phases, that the entire contract be awarded for the construction of the park including the base and provisional items (which include the washroom pavilion) which would provide the best value to the City based on the following rationale:

- Ensures a cohesive approach to the delivery of the park;
- Encourages greater economies of scale and reduce mobilization costs by including a relatively smaller project component within the grander construction Tender;
- Diverts any potential inflation/escalation increases that may be incurred from completing this construction component at a later date;
- Expediting all phases of the park construction will benefit the community with a complete park, including a washroom pavilion (brought forward approximately 1 year) for the fall of 2015;

The Angus Glen Community Park, now known as Gordon Stollery Park, is located directly north of the Angus Glen Community Centre, on Major Mackenzie Drive East, east of Warden Avenue.

The park consists of the following;

- Storm, sanitary, water, hydro and gas service for the park from municipal roads or existing services on the Community Centre lands;
- Site preparation and grading of site;
- Concrete and asphalt walkways;
- Planting and sodding;
- Custom architectural structures-trellises;
- Multi use play courts;
- Water play and associated works;
- Junior and senior play apparatus;
- Lighting and electrical service;
- Rubber surfacing of play courts;
- Site furnishings;
- Junior skate park facility;
- Washroom pavilion and associated landscaping
- Parking (built as part of the Indoor Tennis Facility Project)
- Maintenance building (to be built in the future and not part of this tender)

Due to the scope of the project, contractors were pre-qualified to ensure that all bidders would have the necessary qualifications, experience and resources to complete the works in accordance

with the City of Markham requirements within the specified timelines. Pre-qualification 048-P-14 was issued to the market place in accordance to the Purchasing By-law 2004-341.

PRE-QUALIFICATION INFORMATION (048-P-14)

Advertised	ETN
Bid closed on	March 27, 2014
Number picking up document	28
Number responding to bid	9
Number of Contractors Pre-qualified	6

BID INFORMATION (187-T-14)

Advertised	ETN
Bid closed on	September 25, 2014
Number picking up document	6
Number responding to bid	6

PRICE SUMMARY:

Price Summary (Inclusive of HST)	Bid Price	Provisional Items	Total
Mopal Construction Ltd.	\$ 3,245,702.36	\$ 585,377.45	\$ 3,831,079.81
Hermanns Contracting Limited	\$ 3,345,576.25	\$ 524,583.88	\$ 3,870,160.13
Rutherford Contracting Ltd.	\$ 3,394,331.92	\$ 517,672.41	\$ 3,912,004.33
Hawkins Contracting Services	\$ 3,404,692.58	\$ 505,570.16	\$ 3,910,262.74
Gateman Milloy Inc.	\$ 3,654,852.70	\$ 501,712.73	\$ 4,156,565.43
Cambium Site Contracting Inc.	\$ 3,758,834.79	\$ 639,156.60	\$ 4,397,991.39

The project is expected to be completed by November 2015, and the Operations Department has been consulted as part of the process.

DISCUSSION

The provisional items, which include a north playground and related items, skate park and water station, are core components of the park and required service levels. These items were identified as provisional items in this tender but should have been part of the base bid as they are important to the function of the park and are to be included in the recommended award. However, the washroom pavilion was included in the base bid.

Although the construction of the washroom pavilion was not part of the original budget, it was included with the overall Master Plan of the park, as an operational requirement, and is identified in the D. C. Background Study. Staff recommends that the D.C. funding attributable to this component be approved at this time. The cost of the washroom component, with associated servicing and landscaping, is estimated at \$450,250. D.C. funding for design and construction of the maintenance building and associated landscaping (estimated at approximately \$935,744) will remain in the D. C. Reserve. The maintenance building will be designed and constructed at a future date following consultation with Operations.

As such, staff is recommending awarding all base and provisional items in the tender to Mopal Construction Ltd. on the basis that it is in the best interests of the City and the residents.

FINANCIAL CONSIDERATIONS:

The award of the contract for Tender 187-T-14, in the amount of \$4,227,065.61, inclusive of HST, will be awarded to Mopal Construction Ltd. The financial breakdown is as follows:

Item	Amount
Angus Glen Community Park Construction Budget (project 9085)	\$ 3,757,785.00
Budget available:	\$ 3,440,444.50
Award (inclusive of HST):	\$ 3,831,079.81
Contingency (inclusive of HST):	\$ 229,864.79
Capital Administration Fees:	\$ 166,121.01
Budget Shortfall:	(\$ 786,621.11)*

*The shortfall of \$786,621.11 is requested to be funded from the City-wide Soft Development Charges in the amount of \$707,959.00 (90%) and the Capital Contingency Account in the amount of \$78,662.11 (10%).

Note: The funding shortfall can be attributed to the following:

- i. Of the approved budget, \$672,515.00 was transferred to the Angus Glen Community Centre Tennis Courts and Structure project, leaving a revised budget of \$3,757,785.00.
- ii. As identified within the report, the washroom pavilion and associated services, landscaping, and administration was not budgeted for within the \$3,440,444 (\$450,250 washroom cost).
- iii. The Capital project was approved in 2009 and since this date, the Consumer Price Index (CPI) (escalation/inflation) has increased by 9%, and has contributed partially as a factor of the current budget shortfall.

To mitigate a portion of this variance, Staff will negotiate with the low bidder for some opportunities to value-engineer certain components of this contract. Staff will strive to achieve approximately \$80,000 of savings however, these savings will not impact on any of the core elements of the park's design or construction.

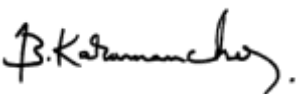
BUSINESS UNITS CONSULTED AND AFFECTED:

This report was jointly prepared by the Purchasing and Planning & Urban Design Department. This report was also circulated to the Finance Department for review and comment.

RECOMMENDED BY:

21/01/2015

20/01/2015

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Biju Karumanchery
Acting Director, Planning & Urban Design

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Jim Baird
Commissioner, Development Services