
HALDIMAND COUNTY

Report ENG-02-2019 Budget Reallocation – Dennis Bridge Rehabilitation For Consideration by Council in Committee on March 26, 2019



OBJECTIVE:

To seek Council approval for the reallocation of capital funding for the Dennis Bridge rehabilitation project.

RECOMMENDATIONS:

1. THAT Report ENG-02-2019 Budget Reallocation – Dennis Bridge Rehabilitation be received;
2. AND THAT the Tax Supported Capital Budget for the Dennis Bridge rehabilitation project be amended as outlined in report ENG-02-2019.

Prepared by: Lloyd Rollinson, Project Manager, Municipal Infrastructure

Reviewed by: Kris Franklin, Manager of Engineering

Respectfully submitted: Tyson Haedrich, M. Eng., P. Eng., General Manager of Engineering & Capital Works

Approved: Donald G. Boyle, Chief Administrative Officer

EXECUTIVE SUMMARY:

The Dennis Bridge Rehabilitation tender closed over the approved budget and after detailed review with the County's bridge consultant (G. Douglas Vallee Limited) staff believe that the bids received are reasonable for this project. A budget reallocation is required to award the project with the budget shortfalls funded through savings from existing projects.

BACKGROUND:

The Dennis Bridge (Structure No. 980305) is located on Rainham Road approximately 1.4 kilometres west of Cheapside Road (see Attachment 1). The bridge was constructed in 1965 and was last rehabilitated in 1997. The bridge crosses Sandusk Creek and has a length of 40 metres (130 feet) consisting of three spans supported by steel girders at each end and concrete girders at its central span.

In the summer of 2018, G. Douglas Vallee Limited conducted an enhanced OSIM (Ontario Structure Inspection Manual) evaluation of the bridge that revealed significant deterioration of the steel girders at the abutment expansion joints. The structure is repairable, however if left to further deteriorate it would lead to a full bridge replacement.

The repairs for the Dennis Bridge rehabilitation project require a contractor with experience and specialized knowledge to perform the work. In order to ensure that only qualified contractors placed bids for the project, staff completed a prequalification process prior to tendering the work.

Three companies emerged from this process and were qualified to bid for the tender that closed on March 19, 2019 with the following results:

| Bidder | Bid Price Received (including full HST) |
|----------------------------|---|
| Clearwater Structures Inc. | \$1,812,439.77 |
| Rankin Construction Inc. | \$2,190,207.81 |
| Dufferin Construction | \$2,288,721.44 |

ANALYSIS:

The lowest acceptable bid for the Dennis Bridge Rehabilitation tender was received from Clearwater Structures Inc. in the amount of \$1,632,158.15 (including non-debateable HST). The approved budget for the project is \$1,200,000, resulting in a shortfall of approximately \$490,000 once the increased contingency is included. Based on a detailed review of the tender with G.Douglas Vallee Limited and County staff it was determined that a majority of the increase in the tender price over the estimate is due to the following items that were added to the project during tender development in order to include the rehabilitation of the central concrete girders:

- Superstructure jacking of the pre-stressed concrete girders of the midspan
- Removal and replacement of the bearings for the pre-stressed concrete girders
- Rehabilitation work to any of the pre-stressed concrete girders
- Dewatering and cofferdams for rehabilitation of the piers to the bottom of the creek

The remainder of the cost increase is attributed to the fact that the three pre-qualified general contractors do not typically submit the lowest bids for the contracts reviewed in Haldimand, Brant and Norfolk. These three contractors are MTO-type contractors that complete many 400 series freeway projects totaling millions of dollars a year. While these contractors still submit prices for work in Haldimand, Brant and Norfolk, they are usually among the highest grouping of bid submissions. The three contractors are experienced in complex projects such as the Dennis Bridge and are expected to deliver a high quality project on time and budget.

Staff are recommending that the project proceed and the shortfall in funding be reallocated from savings from existing projects. In order to fund the shortfall and be in compliance with Procurement Policy 2013-02 a budget reallocation is required to award the project.

FINANCIAL/LEGAL IMPLICATIONS:

To fund the revised bid amount of \$1,632,158.15 (including non-rebateable HST), staff have identified savings in existing projects. The following revisions to the Tax Supported Capital Budget are required to fund the project:

| Project Expenditures | Current Approved Budget | Change | Proposed Revised Budget |
|--|-------------------------|---------------------|-------------------------|
| Dennis Bridge Rehabilitation (C.374.0027) | \$1,200,000 | \$491,500.00 | \$1,691,500 |
| | | | |
| Nanticoke Creek Parkway (C.373.0035) | \$805,200 | (\$22,000) | \$783,200 |
| Deck Condition Surveys (C.374.0014) | \$150,000 | (\$40,000) | \$44,000 |
| Empire Road Culvert Replacement (C.374.0043) | \$571,000 | (\$69,800) | \$501,200 |
| Townline Road Bridge Rehabilitation (C.374.0049) | \$590,000 | (\$30,300) | \$559,700 |
| Walpole Street Culvert Jarvis (C.374.0050) | \$236,700 | (\$2,200) | \$234,500 |
| Lot 18/19 Conc 8 Walpole Bridge Rehab (C.374.0089) | \$439,000 | (110,800) | \$328,200 |
| Retaining Wall Inspection Reports (C.375.0049) | \$50,000 | (\$35,600) | \$14,400 |
| Byng – Gamble St. (C.376.0058) | \$27,100 | (2,700) | \$24,400 |
| Byng – Thrush St. (C.376.0059) | \$33,000 | (\$13,300) | \$19,700 |
| Byng – Secord St. (C.376.0060) | \$76,500 | (\$3,300) | \$73,200 |
| Byng – Scott St. (C.376.0061) | \$27,000 | (\$2,700) | \$24,300 |
| Byng – Hald. Trail (C.376.0062) | \$286,000 | (\$19,700) | \$266,300 |
| Town – Stone Quarry Rd. (C.376.0096) | \$71,000 | (\$3,900) | \$67,100 |

| | | | |
|---------------------------------------|--------------------|--------------------|--------------------|
| Town – Forest Park Dr. (C.376.0097) | \$61,000 | (\$11,200) | \$49,800 |
| Town – Arbour Dr. (C.376.0098) | \$21,000 | (\$2,700) | \$18,300 |
| Town – Eden Ridge Rd. (C.376.0129) | \$61,000 | (\$10,400) | \$50,600 |
| Town – Ravine Cresc. Rd. (C.376.0130) | \$81,000 | (\$7,400) | \$73,600 |
| Town – Willow Glen Rd. (C.376.0131) | \$42,000 | (\$7,600) | \$34,400 |
| Town – Woodfield (C.376.0132) | \$61,000 | (\$9,500) | \$51,500 |
| Town – Hawthorne (C.376.0133) | \$51,000 | (\$900) | \$50,100 |
| Town – Bramble (C.376.0134) | \$53,000 | (\$5,500) | \$47,500 |
| Cheapside Road (C.383.0024) | \$1,400,000 | (\$80,000) | \$1,320,000 |
| Total Other Projects | \$5,193,500 | (\$491,500) | \$4,702,000 |
| Total Capital Expenditures | \$6,393,500 | \$0 | \$6,393,500 |

The related financing impacts for the projects included above, are shown below:

| Project Financing | Current Approved Budget | Change | Proposed Revised Budget |
|--|--------------------------------|---------------|--------------------------------|
| CRR - Roads Infrastructure | \$5,691,710 | \$0 | \$5,691,710 |
| Ontario Community Infrastructure Reserve Fund (OCIF) | \$451,790 | \$0 | \$451,790 |
| Community Vibrancy Fund (CVF) | \$250,000 | \$0 | \$250,000 |
| Total Financing | \$6,393,500 | \$0 | \$6,393,500 |

In accordance with Procurement Policy 2013-02, Council must approve the reallocation of funds for a capital project with a budget shortfall of \$75,000 or more (or 20% of the approved budget) or where insufficient funds are currently available. Once the funding is approved, staff will proceed with the award of the tender through a purchase order.

STAKEHOLDER IMPACTS:

Not applicable.

REPORT IMPACTS:

Agreement: No

By-law: No

Budget Amendment: Yes

Policy: No

ATTACHMENTS:

1. Dennis Bridge Location Map