

REPORT

PLANNING AND DEVELOPMENT COMMITTEE

MEETING DATE: SEPTEMBER 9, 2019

FROM: Engineering and Construction Department

DATE: August 19, 2018

SUBJECT: Ward 2 Storm Sewer Capital Projects Update

LOCATION: Maplehurst Avenue, Westminster Drive, Woodhaven Park Drive

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RECOMMENDATION:

1. That the report, *Ward 2 Storm Sewer Capital Projects Update*, from the Engineering and Construction Department, dated August 19, 2019, be received.
2. That sufficient funds be transferred from Account 53381805 – Woodhaven Park Drive Sewer to Account 53381703 – Maplehurst Storm Sewer in order to award construction services for Maplehurst Avenue Storm Sewer Project, Tender RFT-39-2019 to the lowest compliant bidder.
3. That the project schedules and capital budgets for storm sewers on Maplehurst Avenue (Phase 2), Westminster Drive and Woodhaven Park Drive be updated, as outlined in this report, through the 2020 Capital Budget process.

KEY FACTS:

The following are key points for consideration with respect to this report:

- Three major storm sewer projects in Ward 2 are planned for implementation in 2019, 2020 and 2021 on Maplehurst Avenue, Westminster Drive and Woodhaven Park Drive and connecting streets.
- Construction of a new storm sewer with catch basins in the existing ditches along Maplehurst Avenue, Winston Drive and Shaw Street is planned to alleviate roadside drainage issues and to accommodate flows from the remnant Bridge-Maplehurst channel.
- Funding of \$675,000 is provided as part of the Government of Canada's Clean Water and Wastewater Fund (CWWF) for this project. The funding is based on the original project estimate of \$900,000 with the federal government providing 50% of the funding and the provincial government

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providing an additional 25% of the funding. In order to take advantage of the CWWF funds, a total of \$900,000 of the Maplehurst Avenue storm sewer project fees must be spent by March 31, 2020 and the project must be completed by September 30, 2020.

- The first phase of the Maplehurst Avenue storm sewer project has been tendered and the lowest compliant bid exceeds the available budget.
- Staff recommend transferring funds from the approved Woodhaven Park Drive storm sewer account in order to award the Maplehurst Avenue storm sewer project. Additional funds for the Woodhaven Park Drive storm sewer will be requested through the 2020 Capital Budget process.
- The project budgets for the Westminster Drive and Woodhaven Park Drive storm sewers will be reviewed in light of the recent, higher, tender prices, and additional funds, if necessary, will be requested as part of the 2020 Capital Budget process.
- Funding for the second phase of the Maplehurst Avenue storm sewer will be requested through the 2020 Capital Budget process.

BACKGROUND:

Major storm sewer capital projects are planned for Maplehurst Drive, Woodhaven Park Drive and Westminster Drive between 2019 and 2021.

Maplehurst Drive Storm Sewer

Maplehurst Avenue, south of Bridge Road, is serviced by ditches and driveway culverts and experiences standing water issues indicating poor drainage conditions. The north end of Maplehurst Avenue drains through ditches into a large culvert crossing conveying a tributary of McCraney Creek. The south end of Maplehurst Avenue drains south into a storm sewer on Rebecca Street. To address the storm drainage issues, 700 m of new storm sewer will be constructed on Maplehurst Avenue, with catch basins in the existing ditches. Storm sewers will also be constructed on Shaw Street and Winston Drive and will be connected to the new Maplehurst Avenue storm sewer.

Westminster Drive and Woodhaven Park Drive Storm Sewers

The Westminster Drive and Woodhaven Park Drive storm sewers are both recommendations of the Coronation Park Drainage Improvements Class Environmental Assessment (Coronation Park EA). The Coronation Park EA was approved by Council in June 2017.

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Council's approval of the Coronation Park EA also included staff direction to consider an extension of the Woodhaven Park Drive storm sewer, north of Hixon Street along Woodhaven Park Drive, during the detailed design phase.

Westminster Drive Storm Sewer

Construction of approximately 700 m of storm sewer is proposed on Westminster Drive discharging into the new Coronation Park channel, as per the recommendations of the Coronation Park EA. The project will also improve an existing culvert at Lakeshore Road West and address standing water in ditches along the street. The proposed work also includes replacement of water services to property line and the lowering of the watermain at three locations.

Design work for the Westminster storm sewer is complete. Prior to construction, relocation of gas and hydro infrastructure is required. Union Gas completed relocation work in summer 2019 and Oakville Hydro is currently finalizing plans for relocation of its assets. The pedestrian signal at Lakeshore Road West and Westminster Drive will be relocated east to accommodate the Lakeshore Road West crossing as part of the contract.

Woodhaven Park Drive Storm Sewer

Approximately 1 km of storm sewer on Woodhaven Park Drive storm sewer with an upgraded storm sewer outlet at Lake Ontario is proposed. In addition, extending the storm sewer north of Hixon Road is to be reviewed through the detailed design stage.

COMMENT/OPTIONS:

Maplehurst Avenue Storm Sewer

Construction of the Maplehurst Avenue storm sewer was anticipated to commence in August 2019 with completion of the first phase in November of this year.

The project was phased and the first phase was tendered in July 2019. The second phase of the project will include the construction of the remaining 200m of storm sewer and the inlet structure at the remnant channel. This work will be tendered in 2020.

The available budget for construction of phase 1 of the Maplehurst Avenue storm sewer is \$1.65 million. The tender for the construction of the first phase of the project came in over budget and, as a result, construction will be delayed until sufficient funds are approved to complete the first phase of this project.

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Award of Contract:

On Tuesday, July 30, 2019, the town received and opened five (5) competitive bids from contractors. The lowest bid was from Brennan Paving in the amount of \$2,752,000 (excluding HST). Bids ranged from \$2,752,000 to \$2,999,500.

The contractor bid amounts were higher than anticipated. The construction costs were above the estimates for the majority of the tender items. The difference between the project budget and the contractor bid amounts can be attributed to a combination of factors including unit costs increasing at a higher rate than inflation, project timing (tendered in the summer for late fall completion), and the need to prepare project budgets based on preliminary designs. Similar increased unit costs were experienced on the Speers Road project (Third Line to Fourth Line) which was tendered at a similar time as this project.

Anticipated project costs were reviewed as part of the 2019 Capital Budget process, and additional funds were added to Account 53381703 - Maplehurst Storm Sewer. Account 53381703 – Maplehurst Storm Sewer has a total budget of \$1.65 million remaining which represents the anticipated construction, contract administration, inspection and quality assurance testing costs for the project at the time the budget was developed.

As stated above, the lowest compliant bid for the Maplehurst Avenue storm sewer was \$2,752,00 (plus HST), which exceeds the available project budget. In addition to the construction costs, there are additional project costs associated with contract administration, inspection and quality assurance testing. The remaining project costs are estimated at \$3,024,307.20 million as per Table 1.

Table 1: Summary of Remaining Project Costs and Available Funds

<u>Item</u>	<u>Estimated Cost</u>
Construction Cost	\$ 2,752,000
Quality Assurance Testing	\$20,000
Staff Time (Contract Administration and Inspection)	\$100,000
Contingency	\$100,000
1.76% HST non-recoverable	\$52,307.20
Total	\$3,024,307.20
Amount Available in Account 53381703 – Maplehurst Storm Sewer	\$1,650,000
Additional Funds Required	\$1,374,307.20

In order to award the contract and proceed to construction, additional budget in the amount of \$1,374,307.20 million is required.

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It is recommended that the required amount is transferred from project 53381805 - Woodhaven Park Drive Sewer into project 53381703 - Maplehurst Storm Sewer in order for the project to be awarded and construction started in 2019 to take advantage of the CWWF grant.

If the recommendations of this report are approved, the project will be awarded to the lowest compliant bidder, construction of the Maplehurst Avenue storm sewer will commence in October 2019 and work will be completed in 2020. As long as \$900,000 worth of work is completed by March 31, 2020 and the project is complete by September 30, 2020, the project will be eligible for the \$675,000 in CWWF funding.

Should the award of the contract be delayed beyond the middle of September 2019, the project will need to be re-budgeted as part of the 2020 Capital Budget process and then re-tendered in early 2020. The re-tendered project would include both phases of the storm sewer, however work will not be complete in time to obtain the CWWF funds.

In order to ensure that the federal and provincial funding through the CWWF program can be applied to the Maplehurst Avenue storm sewer project, staff recommend that sufficient funds, as outlined in this report, be transferred to the Maplehurst Avenue storm sewer account.

Maplehurst Storm Sewer – second phase

Following completion of the first phase of the Maplehurst Avenue storm sewer (described above), a second phase consisting of approximately 200m of storm sewer from just south of Bridge Road to just north of Shaw Street will be constructed. Funds to complete this work will be requested through the 2020 Capital Budget process.

Westminster Drive Storm Sewer

As outlined in the Background section of this report, the design of the Westminster Drive storm sewer is complete. Utility relocation work is progressing (Union Gas is complete, Hydro relocation design work is underway). Staff recommends delaying the release of the tender for this work until timing of the completion of the utility work is confirmed. It is anticipated that construction will begin in the first half of 2020.

The construction cost of this project is being reviewed to reflect the most recent, higher, unit prices that have been observed on projects such as the first phase of the Maplehurst Drive storm sewer. Should additional funds be required, they will be requested through the 2020 Capital Budget process.

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Woodhaven Park Drive Storm Sewer

The anticipated construction timing for this project was accelerated as part of the 2019 Capital Budget process, however delays with the Westminster Drive Storm Sewer project have resulted in this project also being delayed. Construction is now anticipated to begin in the first half of 2021.

The construction cost of this project is being reviewed to reflect the most recent, higher, unit prices that have been observed on projects such as the first phase of the Maplehurst Drive storm sewer. Should additional funds be required, they will be requested through the 2020 Capital Budget process.

CONSIDERATIONS:

(A) PUBLIC

Extensive consultation with the public has taken place through the Maplehurst Avenue Storm Sewer Project and through the Coronation Park EA.

Pending approval of this report, notices will be sent to Maplehurst Avenue, Shaw Street and Winston Drive residents advising of the storm sewer construction and providing contact information.

Staff will work with the Ward 2 councillors to provide updated information to residents impacted by the Westminster Drive and Woodhaven Park Drive storm sewer projects.

(B) FINANCIAL

This report recommends that \$1.4 million be transferred from Account 53381805 – Woodhaven Park Drive Sewer to Account 53381703 – Maplehurst Storm Sewer to allow the Maplehurst Avenue storm sewer project to be awarded to the lowest compliant bidder.

CWWF funding in the amount of \$675,000 will be applied to the construction of the Maplehurst Avenue storm sewer, as long as \$900,000 worth of construction is complete by March 31, 2020 and the project itself is completed by September 30, 2020.

The projected construction costs for the second phase of the Maplehurst Avenue storm sewer, for the Westminster Drive storm sewer, and for the Woodhaven Park Drive storm sewer will be reviewed, and additional funds, if necessary, will be requested through the 2020 Capital Budget process.

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(C) IMPACT ON OTHER DEPARTMENTS & USERS

The Maplehurst Avenue Storm Sewer Project has been a collaborative corporate project with input and recommendations from a broad range of departments.

(D) CORPORATE AND/OR DEPARTMENT STRATEGIC GOALS

This report addresses the corporate strategic goal to:
Create a climate change resilient community by implementing storm sewer projects recommended through the Coronation Park EA and work on the Stormwater Master Plan.

(E) COMMUNITY SUSTAINABILITY

The financial information provided in the report supports the economic and financial sustainability of the town.

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