



**STAFF REPORT  
ACTION REQUIRED**

**Contract 07FS-17S, Tender Call 68-2007  
Dundas Street East Bridge over the Don Valley  
Structure Rehabilitation and Pavement Reconstruction**

<b>Date:</b>	March 15, 2007
<b>To:</b>	Public Works and Infrastructure Committee
<b>From:</b>	Executive Director, Technical Services Director, Purchasing and Materials Management Division
<b>Wards:</b>	Ward 28 - (Toronto Centre-Rosedale) & Ward 30 – (Toronto-Danforth)
<b>Reference Number:</b>	P:\2007\Internal Services\pmmd\pw07011pmmd (AFS #4152)

**SUMMARY**

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This contract award is within the delegated authority of the Public Works and Infrastructure Committee.

The purpose of this report is to advise on the results of the Tender issued for the Structural Rehabilitation of the Dundas Street East Bridge over the Don Valley and the Pavement Reconstruction from Hamilton Street to River Street in accordance with specifications as required by Technical Services, and to request the authority to award a contract to the recommended bidder.

**RECOMMENDATIONS**

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The Executive Director of Technical Services and the Director of Purchasing and Materials Management recommend that:

1. The Public Works and Infrastructure Committee award Contract 07FS-17S, Tender Call 68-2007, for the Dundas Street East Bridge over the Don Valley, Structure Rehabilitation and Pavement Reconstruction to St. Lawrence Cement Inc. carrying on business as the Dufferin Construction Company, in the total amount of \$8,532,761.00, net GST, having submitted the lowest bid.

## FINANCIAL IMPACT

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The total contract award identified in this report is \$9,044,726.66 including all applicable taxes and charges. The cost to the City, net of GST, is \$5,804,761.00. The balance of cost, net of GST, is \$2,728,000.00 and is recoverable from third parties such as Toronto Transit Commission and Toronto Hydro. Funding is available in the approved 2007 Transportation Services and Toronto Water Capital Budgets as follows: City Bridge Rehabilitation (CTP507-01-\$1,104,761.00), Don Valley Parkway Rehabilitation (CTP110-1-\$4,200,000.00), Major Road Resurfacing (CTP307-01-\$160,000.00), Various Construction Projects (CTP807-01-\$2,728,000.00) and District Watermain Replacement (CPW542-01- \$340,000.00). The engineering estimate for this contract is \$7,210,000.00 including all applicable taxes.

The following table details the work breakdown and funding sources:

Source	Component				Total
	Bridge	Track Work	Road Resurfacing	Toronto Water	
City – Expressway (CTP110-1)	\$4,200,000.00				
City – Structures (CTP507-01)	\$1,104,761.00				
City – Districts (CTP307-01)			\$160,000.00		
City – Water (CPW542-01)				\$340,000.00	
Total City Costs	\$5,304,761.00		\$160,000.00	\$340,000.00	\$5,804,761.00
Toronto Transit Commission (CTP807-01)	\$1,800,000.00	\$728,000.00			\$2,528,000.00
Toronto Hydro (CTP807-01)	\$ 200,000.00				\$ 200,000.00
Total Cost net GST	\$7,304,761.00	\$728,000.00	\$160,000.00	\$340,000.00	\$8,532,761.00

## ISSUE BACKGROUND

The Purchasing and Materials Management Division, at its Public Opening held on March 8, 2007 opened the following bids for Tender Call 68-2007, Contract No. 07FS-17S, for the Dundas Street East Bridge over the Don Valley, Structure Rehabilitation and Pavement Reconstruction:

<u>Tenderer</u>	<u>Price Complete Including all Charges Net of GST</u>
1. St. Lawrence Cement Inc. COB as Dufferin Construction Company	\$8,532,761.00
2. Grascan Construction Ltd. & Torbridge Construction Ltd.	\$8,950,000.00
3. Bridgecon Construction Ltd.	\$14,012,600.00
4. Bob Hendricksen Construction Limited	\$14,185,320.81*

\* Tender prices corrected for mathematical errors. Purchasing and Materials Management has verified that the mathematical errors were corrected.

## COMMENTS

The Tender documentation submitted by the recommended bidder has been reviewed by the Executive Director, Technical Services and has been found to be in conformance with the Tender requirements.

All Tender prices received are higher than the pre-tender engineering estimate. An analysis of the quotation received from Dufferin Construction, the lowest bidder, revealed that the following factors contributed to the higher than expected tender prices:

- (a) Market conditions related to escalation in the price of reinforcing steel, structural steel and stainless steel:  
Since November 2006, steel and other metal prices have increased significantly in price due to world-wide demand. As an example, the cost of stainless steel has increased from \$10,000 to \$12,000 per tonne in November 2006 to \$22,000 per tonne in February/March 2007. Reinforcing steel over the same period has also increased in price wherein late Fall 2006 prices were in the range of \$2,400 per tonne in the GTA and currently tender prices are over \$3,800 per tonne. These escalations in steel prices were reflected in the Tender price.
- (b) Site Conditions:  
Since this bridge spans over the Don Valley Parkway and is an arched configuration, there is a requirement to remove the deck slab symmetrically on the arch span and the physical restrictions imposed by the deck removal on the arch span contribute to the complexity for the rehabilitation of this facility.

In addition, the time period for the rehabilitation of the bridge has been restricted from the original intended 29 weeks of construction to 22 weeks to align with TTC scheduling of their track work.

Technical Services staff have compared the bids to the estimated cost and found the price of the recommended bidder to be reasonable and within the budget available.

The Fair Wage Office has reported that the recommended firm has indicated that it has reviewed and understands fully the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

## **CONTACT**

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## **SIGNATURES**

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W. G. Crowther, P. Eng  
Executive Director  
Technical Services

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L. Pagano, P. Eng.  
Director  
Purchasing and Materials Management