



**STAFF REPORT
ACTION REQUIRED**

**Contract 07SC-03RD, Tender Call No. 33-2007
Finch Avenue / CPR (Connection Track) Grade
Separation and Infrastructure Enhancements**

Date:	March 13, 2007
To:	Public Works and Infrastructure Committee
From:	Executive Director, Technical Services Director, Purchasing and Materials Management Division
Wards:	Ward 42 – (Scarborough-Rouge River)
Reference Number:	

SUMMARY

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

The purpose of this report is to advise of the results of Tender Call No. 33-2007 issued for the construction of the Finch Ave / CPR (Connection Track) Grade Separation and Infrastructure Enhancements in accordance with specifications as required by Technical Services, and to request that the Public Works and Infrastructure Committee award a contract to the recommended bidder, subject to the City entering into an agreement with the Canadian Pacific Railway Company with terms and conditions satisfactory to the Deputy City Manager and in a form satisfactory to the City Solicitor and the City obtaining confirmation from the Toronto and Region Conservation Authority and Ministry of Environment of their intent to provide the City with the required environmental permits.

RECOMMENDATIONS

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 07SC-03RD, Tender Call No. 33-2007, for the construction of the Finch Avenue / CPR (Connection Track) Grade Separation and Infrastructure Enhancements to Dagmar Construction Inc., in the amount of \$13,171,602.15, net of GST, subject to the City entering into an agreement with the Canadian Pacific Railway Company with terms and conditions satisfactory to the Deputy City Manager and in a form satisfactory to the City Solicitor and the City obtaining confirmation from the Toronto and Region Conservation Authority and Ministry of Environment of their intent to provide the City with the required environmental permits.

Financial Impact

The total contract award identified in this report is \$13,961,898.28, including all applicable taxes and charges. The cost to the City, net of GST, is \$13,171,602.15. Funding in the amount of \$13,171,602.15 (excluding GST) has been included in the Approved 2007 Transportation Services Capital Budget (Account CTP804-20 - \$12,669,892.60) and the Approved 2007 Toronto Water Capital Budget (Account CPW535-01 - \$501,709.55).

The engineering estimate prior to tender for this contract was \$12,600,000.00 including all applicable taxes. This variation of 11% between the engineering estimate and the low bid can be attributed to the addition via an addendum of 4 additional tender items and revised requirements stipulated by the rail authority after the preparation of the engineering estimate. We have reviewed the bidder's prices submitted and find that they are representative for this type of work given the prevailing market conditions.

DECISION HISTORY

On January 31, February 1 and 2, 2006, City Council adopted staff recommendations for the City of Toronto to award Contract 05ED-24S, for the Finch Avenue/CPR Grade Separation Structural Steel Through Plate Girders, and to enter into an agreement with the Canadian Pacific Railway Company to perform work related to the Finch Avenue/CPR/Morningside Avenue Grade Separations Project on railway property:

<http://www.toronto.ca/legdocs/2006/agendas/council/cc060131/wks1rpt/cl009.pdf>

ISSUE BACKGROUND

The Purchasing and Materials Management Division, at its Public Opening held on March 7, 2007 opened the following Tenders for Tender Call 33-2007, Contract No. 07SC-03RD, for the construction of the Finch Ave / CPR (Connection Track) Grade Separation and Infrastructure Enhancements:

<u>Tenderer</u>	<u>Price Complete Including All Charges, Net of G.S.T.</u>
Dagmar Construction Inc.	\$13,171,602.15
Brennan Paving & Construction Ltd.	\$13,525,905.02*
Grascan Construction Ltd.	\$14,420,000.00
Bridgecon Construction Ltd.	\$14,526,073.95
Dufferin Construction Company	\$14,769,743.00

* Tender Price corrected for mathematical errors. Purchasing and Material Management has verified that the mathematical errors were corrected.

Note: The structural steel girders for this grade separation have already been fabricated under Contract 05ED-24S, as approved by City Council on January 31, February 1 and 2, 2006, and are currently being stored at the Morningside Yard.

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.

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.

Due to the strict time-lines associated with the construction of the grade separation it is requested that the Public Works and Infrastructure Committee award a contract to the recommended bidder, subject to the City entering into an agreement with the Canadian Pacific Railway Company with terms and conditions satisfactory to the Deputy City Manager and in a form satisfactory to the City Solicitor and the City obtaining confirmation from the Toronto and Region Conservation Authority and Ministry of Environment of their intent to provide the City with the required environmental permits. The tender documents stipulate that the City may refuse to award the contract to any bidder if the aforementioned conditions are not satisfied.

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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SIGNATURE

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