

COUNCIL AUTHORITY FOR CONTRACT AWARDS TENDER AWARD

Project Award	Tender Award No. 23-01-00502 – 2023 Storm Sewer Rehabilitation
Recommendation	<p>Staff are recommending the award of the tender for the 2023 Storm Sewer Rehabilitation to Capital Sewer Services Inc. in the base bid amount of \$427,194 (exclusive of HST) being the lowest compliant bid received.</p> <p>Staff are also recommending the award for the provisional Part C for an open-cut sewer replacement in the total amount of \$311,973 (exclusive of HST).</p>
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval.
Background information	<p>In 2020 the Town completed Phases 1 & 1A of our “Milton Drainage Master Plan, Storm Sewer Network Study”. Included in the scope of this study was Zoom camera inspection of the storm sewer network. This inspection was primarily meant to capture systemic issues, however high level recommendations (including costs estimates) for storm sewer rehabilitation were captured when discovered. The rehabilitation works which require immediate attention (0-5 years) have been prioritized and divided geographically into a 5 year program. The associated cost estimates were used to develop the capital budget over the same period.</p> <p>For each year of the program the recommended rehabilitation requires CCTV investigation needed to confirm the scope of works for that year. In 2022 design works were completed for year 1 of the 5 year program. While CCTV investigation confirmed many of the initial recommendations, additional deficiencies were discovered, more than doubling the amount of sewer pipe requiring rehabilitation in year 1. Understanding the current scope of work, effort was made to work within the existing budget, including making a portion of the works provisional. Ultimately the current market conditions, including higher unit costs, has resulted in higher than anticipated tender pricing.</p>
Purchasing Section: Bid Award Information	
Date bid issued	April 4, 2023
Advertisements	Town of Milton website and the Bids & Tenders website
Closing Date	April 26, 2023
# of Plan takers	Nine (9)

Schedule H

List of bid submissions inclusive of HST	Capital Sewer Services Inc.	\$ 835,258.71
	PipeFlo Contracting Corp	\$1,082,432.65
	Clearwater Structures Inc.	\$1,101,895.77
	Aqua Tech Solutions Inc	\$1,567,904.38
Median bid value	The average bid received was \$1,146,872.88. The bid submitted by Capital Sewer Services Inc. is approximately 37% less than the average bid.	

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C43000422
Account Description	Storm Sewer Network Program - Construction
Project Total Budget	\$576,987
Contract Budget	\$434,657
Actual (Net of HST Rebate)	\$434,713
Variance	\$55 (U)
Funding Source	Project Variance Account

Provisional Items Award:

Account Number(s)	C43000422
Account Description	Storm Sewer Network Program - Construction
Project Total Budget	\$576,987
Contract Budget	\$0
Actual (Net of HST Rebate)	\$317,464
Variance	\$317,464 (U)
Funding Source	Project Variance Account
Additional Budget Request (Note 2)	\$31,752
Funding Source	Project Variance Account

Note 1: Financial impact includes any non-refundable portion of HST

Note 2: Separate from the tender award, additional budget is being requested to increase contingency.