



**CITY OF HAMILTON**  
**PUBLIC WORKS DEPARTMENT**  
*Engineering Services Division*

<b>TO:</b>	Chair and Members Public Works Committee
<b>COMMITTEE DATE:</b>	February 22, 2019
<b>SUBJECT/REPORT NO:</b>	Appropriation Transfer of Funds for Parkdale Ave N & Steel City Court - 2019 Reconstruction Project (PW19019) (Ward 4)
<b>WARD(S) AFFECTED:</b>	Ward 4
<b>PREPARED BY:</b>	Richard Andoga (905) 546-2424, Extension 2431
<b>SUBMITTED BY:</b>	Gord McGuire, O.L.S., B.Sc. Director, Engineering Services Public Works
<b>SIGNATURE:</b>	

**RECOMMENDATION**

- (a) That the General Manager of Public Works be authorized and directed to proceed with the tender and award of C15-13-18 (HW) to Deso Construction Limited in the amount of \$4,773,280.66 (not including Contingency and Non-Refundable HST) as identified in Appendix "A" to Report PW19019;
- (b) That an appropriation adjustment be approved to increase Capital Project ID 4031919117 (Parkdale – Burlington to north end & Steel City Court) by \$873,000 from \$2,450,000 to \$3,323,000 and that this increase be funded by a transfer from Project ID 4031711016 (2017 Asset Preservation program);
- (c) That Capital Project ID 5141971310 (Parkdale – Burlington to north end & Steel City Court) be increased by \$292,000 from \$1,130,000 to \$1,422,000 and that this increase be funded by a transfer from Project ID 5141371301 (2013 Watermain Replacement Coordinated with Road program).

**EXECUTIVE SUMMARY**

Parkdale Avenue North, from Burlington Street to the north end, and Steel City Court, from Parkdale Avenue North to approximately 400 metres easterly, is identified within the 2019 Capital Roads Program for reconstructed during the 2019 construction season. The contract involves road reconstruction, the construction of temporary bypass/access roads, minor sidewalk installation, traffic signal installation and watermain replacement and upgrade.

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The contract has completed the tender process and contractor bids have been received. Contract C15-13-18 (HW) cannot be awarded as a result of a funding shortfall in both road and watermain sections of the contract due to extension of project limits and associated works.

Two appropriations through transfer of funds for the road and watermain sections of the contract are required in order to award the contract.

***Alternatives for Consideration – See Page 4***

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: The increased levy supported cost (\$873,000) for Capital Project ID 4031919117 (Parkdale – Burlington to north end & Steel City Court) can be funded by an appropriation transfer of gas tax surplus funds due to favourable tenders in 4031711016 (2017 Asset Preservation program).

The increased rates supported cost (\$292,000) for Capital Project ID 5141971310 (Parkdale – Burlington to north end & Steel City Court) can be funded by an appropriation transfer of surplus funds due to unused contingencies in 5141371301 (2013 Watermain Replacement Coordinated with Road program).

Staffing: None

Legal: None

**HISTORICAL BACKGROUND**

During the winter season of 2017 / 2018, Parkdale Avenue, north of Burlington Street experienced severe deterioration as a result of the ongoing freeze thaw action, in addition to the heavy loading of vehicle traffic. As a result of the deterioration and existing conditions of the roadways in question, concerns have been raised by adjacent businesses and landowners within the industrial area. Staff maintained the service level of the roadway to the best of their abilities resulting in the repair of over 260 potholes, utilizing over 45 tonnes of hot mix asphalt. The ongoing increased maintenance costs exceeded \$50,000 for this location.

As the existing conditions of the infrastructure were found in need of full replacement, along with the ongoing maintenance of the same greatly impact business operation, it was determined to bring forth the infrastructure renewal of the road corridor.

A project was initiated by the Public Works Department, Engineering Services Division, in 2017, with design to proceed in 2018 and construction to follow in 2019. The project was initially identified the reconstruction of Parkdale Avenue, along with the adjacent Steel City Court, and therefore returning the road and watermain infrastructure to a state of good repair.

Through coordination with City staff and agencies, the project scope evolved and was amended to include revised road reconstruction limits, minor sidewalk installation, traffic

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signal improvements and watermain replacement. Project design took place throughout 2018. As project design evolved additional scope requirements were later deemed necessary for inclusion, as described below.

- Due to the proposed sale of City-owned land at the easterly end of Steel City Court, and the services required to accompany the proposed sale of land, the easterly project limit of Steel City Court was extended by 200 metres. As the sale of the land was ongoing and completed throughout the design process, resulted in added costs for road construction and upgraded/upsized watermain installation.
- Through discussions with various businesses along Parkdale Avenue and Steel City Court, the businesses brought forward their concerns regarding the need to maintain traffic at all times during construction, therefore the construction of a temporary Parkdale Ave bypass road on the east side of Parkdale Avenue will be required, as well as a temporary access road from Burlington Street to Steel City Court. These temporary roads were not anticipated in the original project scope. Temporary road construction includes the addition of costly associated items such as catch basin adjustments, temporary catch basin installations, tree removals, jersey barrier installation, post-construction removal or blocking of temporary Steel City Court access road and post-construction removal of temporary Parkdale Avenue bypass road.
- During design process and the coordination of project scope, in addition to planned traffic operational improvements within the intersection of Parkdale Avenue and Burlington Street it was later determined that the entire intersection will require a full reconstruction and that the optimal strategy will be reconstruction with exposed concrete throughout the entire intersection, since asphalt within this particular intersection would likely not be able to endure loads applied by truck turning movements and would result in premature pavement failure.
- Due to underground utility and sewer conflicts along Parkdale Avenue, it was determined that watermain will have to be replaced within the same existing trench, and with businesses in this general area identifying that they require 24/7 water service, a temporary watermain by-pass will have to be installed during construction in order to provide uninterrupted water service. Watermain work also includes improvements to the valve chamber within the intersection of Parkdale Avenue and Burlington Street.

The variance in estimated costs and required appropriation through transfer of funds is attributed to the above-mentioned additional scope requirements. Staff reviewed the final scope as a result of this winter damage, while ensuring the project was ready for tender in 2018 to be constructed in 2019. This led to budget adjustments due to scope changes that fell outside the timeframes to adjust the approved 2019 capital cycle.

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## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

None

## **RELEVANT CONSULTATION**

The project consultations include the public consultation with the following corporations and/or adjacent land owners:

- Sanimax (on Parkdale Ave N)
- Steel Logistics and Rims (on Parkdale Ave N)
- Columbian Chem (on Parkdale Ave N)
- Triple M Metal (on Parkdale Ave N)
- Petro Pass Canada (on Parkdale Ave N)
- American Iron & Metal (on Steel City Court)

The relevant consultation assisted and is incorporated into the design elements i.e. details pertaining to the temporary access road etc.

Corporate Finance has reviewed and is in agreement with this report.

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

The department of Public Works, Engineering Services Division, provides funding source recommendations in order to allow for the award and completion of the Parkdale Ave North and Steel City Court project C15-13-18 (HW).

## **ALTERNATIVES FOR CONSIDERATION**

An alternative for consideration is to not award the tender and defer the project construction to year 2020. In this case, existing funds will be maintained and earmarked to fund 2020 construction, and the required additional funds will be requested for approval through the 2020 budget process. This may result in the need to alter the timing of other currently proposed projects in the short-term forecast.

Any such deferral will result in declining service levels increasing risk and liability along with increased maintenance costs.

## **ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

### **Community Engagement & Participation**

*Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.*

### **Economic Prosperity and Growth**

*Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.*

**Built Environment and Infrastructure**

*Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.*

**Our People and Performance**

*Hamiltonians have a high level of trust and confidence in their City government.*

**APPENDICES AND SCHEDULES ATTACHED**

Appendix A: Schedule A - Tender Information Summary

Appendix B: Project Map - Parkdale Ave N and Steel City Court