




CITY OF HAMILTON
PUBLIC WORKS DEPARTMENT
Engineering Services Division

TO:	Mayor and Members Committee of the Whole
COMMITTEE DATE:	April 8, 2020
SUBJECT/REPORT NO:	Appropriation Transfer of Funds for Rymal Rd E - Fletcher to Upper Centennial - 2020 Reconstruction Project (PW20023) (Wards 9 and 11)
WARD(S) AFFECTED:	Wards 9 and 11
PREPARED BY:	Erika Waite (905) 546-2424 Ext. 6397
SUBMITTED BY:	Gord McGuire Director, Engineering Services Public Works
SIGNATURE:	

RECOMMENDATION

- (a) That the General Manager of Public Works be authorized and directed to award tender C15-50-19 (HSW) to Coco Paving Inc. in the amount of \$22,450,000 (not including Contingency and Non-Refundable HST) as identified in Report PW20023 as Appendix "A" and that the General Manager of Public Works be authorized to execute, on behalf of the City of Hamilton, all agreements and other documents necessary to implement this award on confirmation that each such agreement be in a form satisfactory to the City Solicitor;
- (b) That a budget adjustment be approved to increase Capital Project ID 4031580589 (Rymal Rd E – Fletcher to Upper Centennial) by \$1,144,000 from \$12,132,000 to \$13,276,000 and that this increase be funded by a transfer of \$572,000 from the Development Charge Reserve 110306 and \$572,000 from the Development Charge Reserve 110307;
- (c) That a budget adjustment be approved to increase Capital Project ID 5182080089 (Rymal Rd E – Fletcher to Upper Centennial) by \$443,000 from \$1,178,000 to \$1,621,000 and that this increase be funded by a transfer of \$195,000 from the Development Charge Reserve 110352 and \$248,000 from the Development Charge Reserve 110353.

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OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

EXECUTIVE SUMMARY

Rymal Road East from Fletcher to approximately 250m East of Upper Centennial/ Regional Road 56 and Regional Road 56 from Rymal Road E to approximately 1400m South of Rymal Road E are identified within the 2020 Capital Roads Program for reconstruction during 2020 and 2021.

The total estimated approved budget available for the Rymal Road East from Fletcher to approximately 250m East of Upper Centennial/ Regional Road 56 and Regional Road 56 from Rymal Road E to approximately 1400m South of Rymal Road E tender is \$25,644,000. The tender bid including contingency and non-recoverable HST, is \$25,151,000. The tender consists of eleven section, two of which came in over budget. While there is a combined tender surplus in nine sections of \$2,360,000, this surplus cannot be applied to the road and storm deficit because it is either from different programs or the DC split is not in keeping with the 2019 DC Study. A transfer of DC funds is required in order to award the contract.

The contract involves road reconstruction, widening to 5 lanes, sidewalk installation along the North and South sides, street lighting on both sides of the roads, traffic signal installation, storm and sanitary sewer installation.

Budget adjustments through transfer of funds for the road and storm sewer sections of the contract are required in order to award the contract

Alternatives for Consideration – See Page 4

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The total required increase to the road project is \$1,346,000. As per the 2019 DC Study, 15% of these costs benefit the existing infrastructure and 85% is attributable to development (50% Residential and 50% Non-Residential).

The increase associated with the existing infrastructure is \$202,000. This transfer has been processed using the Procurement Policy signing authority. The increase road cost attributed to development (\$1,144,000) can be funded by the following transfers a transfer of \$572,000 from Development Charge Reserve 110306 and \$572,000 from Development Charge Reserve 110307.

The total required increase to the storm project is \$521,000. As per the 2019 DC Study, 15% of these costs benefit the existing infrastructure and 85% is

attributable to development (44% Residential and 56% Non-Residential). The increase associated with the existing infrastructure is \$78,000. This transfer has been processed using the Procurement Policy signing authority. The increased storm cost attributed to development (\$443,000) for Capital Project ID 5182080089 (Rymal Rd E – Fletcher to Upper Centennial) can be funded by the following transfers a transfer of \$195,000 from Development Charge Reserve 110352 and \$248,000 from Development Charge Reserve 110353.

Staffing: None

Legal: None

HISTORICAL BACKGROUND

Urbanization and widening of Rymal Road was identified through the Rymal Road Planning Area (ROPA-9) Class Environmental Assessment Study Report and planned for improvement through the coordinated capital program. Sanitary and storm sewer installation were also required to accommodate development growth of the area and for associated road widening impacts.

In order to improve the efficiency of construction, planned capital projects for Rymal Road – Fletcher Road to Upper Centennial Parkway and Regional Road 56 – Rymal to 1.4km south of Rymal Road, were combined into a single contract.

The coordinated project required land acquisition, relocation of utilities and poles, urbanization and widening of the road to 5 lanes (2-lanes in each direction with a centre two-way turn lane), curb and gutter, sidewalks along the north and south side of Rymal Road and the west side of Upper Centennial Parkway, traffic signals and signs, street lighting, culvert replacement, sanitary and storm sewer installations, traffic islands and streetscaping.

Tender bids received for the road and storm works were higher than estimated. The variance in estimated costs and required appropriation through transfer of funds is attributed to the above-mentioned scope requirements.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

None

RELEVANT CONSULTATION

The project consultations include the consultation with Hamilton Water, Transit, Development, Forestry, Legal Services and other City of Hamilton Departments.

Consultation with the adjacent businesses, property owners, utilities and government agencies were also completed.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The department of Public Works, Engineering Services Division and Planning and Economic Development, Infrastructure Planning Division, provides funding source recommendations in order to allow for the award and completion of Rymal Rd E – Fletcher to Upper Centennial and RR 56 – Rymal Rd E to 1400m South of Rymal project C15-50-19 (HSW).

ALTERNATIVES FOR CONSIDERATION

An alternative for consideration is to not award the tender and defer the project construction to year 2021. In this case, existing funds will be maintained and earmarked to fund 2021 construction, and the required additional funds will be requested for approval through the 2021 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 and 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.

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Our People and Performance

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APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report PW 20023: Schedule A - Tender Information Summary

Appendix “B” to Report PW 20023: Rymal Rd E – Fletcher to Upper Centennial and RR 56 – Rymal Rd E to 1400m South of Rymal

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