

Request for Decision

Title	Lily Lake Area Reconstruction and Surfacing Program Contract Award Recommendation
Proposed Motion	<p>1. That Council award the multi-year contract (2017 – 2019) for the Lily Lake Area Reconstruction and Surfacing Program to E-Construction Ltd., at a contract price of \$9,949,016.88 (not including GST).</p> <p>2. That Council fund the \$500,000 shortfall by rescheduling BF9433 from construction in 2018 to construction in 2019.</p>
Administrative Recommendation	Administration recommends that Council award the multi-year contract for the Lily Lake Area Reconstruction and Surfacing Program to E-Construction Ltd. as they were the lowest compliant bidder and met all the criteria.
Previous Council Direction	<p>December 13, 2016 – Motion 455/16: That Council approve the 2017 Operating and Capital Budget as presented in the 2017 Budget Document.</p> <p>June 28, 2016 – Motion 239/16: That Council approve the projects in Stage 4 - Construction above the red line for the 2017 construction season.</p>
Report	<p><u>Background Information</u></p> <p>The Lily Lake Area Reconstruction and Surfacing Program contains the following projects:</p> <p><u>Reconstruction</u></p> <p>Range Road 233 From Hillsborough Heights (South) to Township Road 572</p> <ul style="list-style-type: none"> • Total length of reconstruction is 1.6 kilometres. • Average width of the road is 7.0 metres. • Sight lines at intersections and swamp need improvement. • Major Swamp located on both sides of road. • Average maintenance costs range between \$2,000 to \$3,000 per 1.6 kilometres. • Road is programmed to be rebuilt in 2017.

Township Road 572 Phase 1 From Range Road 233 to Highway 28

- Total length of reconstruction is 1.7 kilometres.
- Average width of the road is 7.0 metres.
- This road has minor vertical alignment issues.
- Average maintenance costs range between \$2,000 to \$3,000 per 1.6 kilometres.
- Traffic Counts from 2014 indicate 331 vehicles per day.
- Road is programmed to be rebuilt in 2017.

Township Road 572 Phase 2 From Lily Lake Road (Range Road 235) to Range Road 233

- Total length of reconstruction is 3.2 kilometres.
- Average width of the road is 7.0 metres.
- This road has minor vertical alignment issues.
- Average maintenance costs range between \$2,000 to \$3,000 per 1.6 kilometres.
- Traffic Counts from 2014 indicate 331 vehicles a day.
- Road is programmed to be rebuilt in 2017.

Surfacing

Township Road 570 From Range Road 233 to Highway 28

- Total length of surfacing is 1.6 kilometres.
- Road is programmed to be rebuilt in 2016/2017.
- Road is programmed to be surfaced in 2018.

Range Road 233 From Township Road 570 to Hillsborough Heights (South)

- Total length of surfacing is 1.6 kilometres.
- Road is programmed to be rebuilt in 2016/2017.
- Road is programmed to be surfaced in 2018.

Range Road 233 From Hillsborough Heights (South) to Township Road 573

- Total length of surfacing is 3.3 kilometres.
- Road is programmed to be rebuilt in 2017.
- Road is programmed to be surfaced in 2018.

Township Road 572 From Lily Lake Road (Range Road 235) to Highway 28

- Total length of surfacing is 5.0 kilometres.
- Road is programmed to be rebuilt in 2017/2018.
- Road is programmed to be surfaced in 2019.
- Sturgeon County's Procurement Process guides that the lowest bid meeting the tender or request for proposal requirements and/or specifications will normally be accepted.
- E-Construction Ltd. was the lowest compliant bidder.

External Communication

- Lily Lake area residents were sent letters on March 29, 2017, informing them of the work in the area, as well as future phasing and timing. Follow-up communications will be coordinated between the Contractor and Administration.
- Lily Lake Area Reconstruction and Surfacing Program was tendered through the Alberta Purchasing Connection on April 5, 2017. Tenders closed on April 25, 2017 at 11:00 a.m.
- We received nine (9) bids ranging from \$9,949,016.88 to \$12,507,345.14 (excluding GST).
- Opus Stewart Weir (OSW), engineering consultant, reviewed tenders and recommends Sturgeon County award the contract for Lily Lake Area Reconstruction and Surfacing Program to E-Construction Ltd.

Relevant Policy/Legislation/Practices:

- Sturgeon County's Procurement Directive (dir_pro_exe_2014)

Implication of Administrative Recommendation

Strategic Alignment:

Strong Local Governance and Regional Leadership – The awarding of this contract would be consistent with Sturgeon County's procurement policy and support Sturgeon County's 4-Stage Capital Plan.

Community Identity & Spirit – Awarding this contract will promote Sturgeon County with local residents due to the nature of the work associated with this project.

Planned Growth – This project considers cumulative costs and long-term funding implications associated with the management of this infrastructure asset.

Maintain and Enhance Strong Communities – The reconstruction and surfacing of the Lily Lake Area Program will demonstrate a commitment to the community that Sturgeon County is committed to maintaining and updating existing infrastructure.

Operational Excellence – The reconstruction and surfacing of the Lily Lake Area Program will reduce future maintenance costs and allow transportation resources to be re-allocated to other priority projects as well.

Organizational:

Sturgeon County Engineering Services has committed resources to deliver these projects as part of the 4-Stage Capital Plan.

Financial:

Lily Lake Area Reconstruction and Surfacing Program			
Item	Approved Budget	Estimate 'C'	After Tender
Construction	\$11,543,773.90	\$10,449,126.65	\$9,949,016.88
+ Contingency	\$-	\$1,044,912.67	\$933,399.79
Sub Total	\$11,543,773.90	\$11,494,039.32	\$10,882,416.67
Engineering & Other	\$-	\$1,379,960.68	\$1,161,357.23
Total	\$11,543,773.90	\$12,874,000	\$12,043,773.90

Engineering costs for 2018 & 2019 surfacing construction are based on estimates only. A RFP for construction services will be issued in the Fall 2017.

There is a funding shortfall of \$500,000, which Administration recommends addressing by re-scheduling BF 9433 from the 2018 construction season to 2019.

Alternatives Considered

That Council not award the contract at this time.

Implications of Alternatives

Strategic Alignment:

- Not awarding a contract may be inconsistent with past Sturgeon County practices and procedures.

Organizational:

- To date, Sturgeon County has allocated resources and effort in coordinating the reconstruction and surfacing of this program.

Financial:

- If the contract was not awarded, Sturgeon County would still be responsible for the engineering costs to date which are estimated to be \$160,000.

Follow up Action

1. Award the contract.

Attachment(s)	1. Location Plan 2. Tender Results 3. Procurement Directive (dir_pro_exe_2014)
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Report Reviewed by:	 Brian Hartman, Manager, Engineering Services  Stephane Labonne, A/County Commissioner – CAO
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Strategic Alignment Checklist

Vision: Sturgeon County: a diverse, active community that pioneers opportunities and promotes initiative while embracing rural lifestyles.

Mission: Provide quality, cost effective services and infrastructure to meet the diverse needs of the Sturgeon County community, while improving competitiveness and sustainability.

Focus Areas	Not consistent	N/A	Consistent
Strong Local Governance and Regional Leadership			
<i>We promote consistent and accountable leadership through collaborative and transparent processes (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Consistent with neighborhood role (see MDP), master plans, policies</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Considers fiscal stability and sustainability</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Has a positive impact on regional and sub-regional cooperation</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Respect the Natural Environment			
<i>We acknowledge the importance of a healthy environment and will minimize and monitor our impact on ecosystems (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Compliance with Provincial and Federal regulations and/or legislation</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Ensure effective environmental risk management</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Community Identity & Spirit			
<i>We will build upon our strengths, where together we will create an inclusive, caring community (Strategic Plan, (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Promotes and/or enhances residents' identification with Sturgeon County</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Enhances service provision through community partnerships</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Supports Sturgeon County's cultural history</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Planned Growth and Prosperity			
<i>We encourage varied and integrated enterprises that enhance our strong economic base, while balancing the needs of the community and natural environment. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <i>Does the proposal align with the Integrated Regional Growth Strategy (map/policies) pg. 26 MDP</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <i>Considers cumulative costs and long-term funding implications</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Targets growth around current or planned infrastructure</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Maintain and Enhance Strong Communities			
<i>We are committed to a safe, secure community, where our residents are respected and provided with access to opportunities. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Positive impact on residents' quality of life</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Supports and promotes volunteer efforts</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <i>Provides programs and services that are accessible to all residents</i> 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Operational Excellence			
<i>We have the organizational capability to deliver consistent and defined levels of service to all stakeholders in a professional, efficient, and cost effective manner</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Staff have the knowledge, skills and capability to perform their jobs</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Streamlines operational processes and policies</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Promotes engagement and professional interaction with stakeholders</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <i>Considers a cost-structure which allows Sturgeon County to remain competitive within a regional, national and global context</i> 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>