

Request for Decision

Title	Contract Award Recommendation: Range Road 233 (from Township Road 572 to Township Road 573)
Proposed Motion	That Council award the contract for the reconstruction of Range Road 233 from Township Road 572 to Township Road 573 to Noyen Construction Ltd., at a contract price of \$696,769.00 (not including GST).
Administrative Recommendation	Administration recommends that Council award the contract for the reconstruction of Range Road 233 from Twp Rd 572 to Twp Rd 573 to Noyen Construction Ltd, at a contract price of \$696,769.00 (not including GST) with an anticipated overall project budget estimated to be \$980,926.10.
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>Range Road 233 – From Township Road 572 to Township Road 573</p> <ul style="list-style-type: none"> • Range Road 233 was tendered through the Alberta Purchasing Connection on January 10, 2017. Tenders closed on January 24, 2017 at 2:00 PM. • We received twelve (12) bids ranging from \$696,769.00 to \$1,712,984.00 excluding GST. • The engineering consultant, AMEC Foster Wheeler, reviewed the tenders and recommends Sturgeon County award the contract for Range Road 233 to Noyen Construction Ltd. • The existing surface of Range Road 233 is gravel. • The project will prepare Range Road 233 for paving in 2018. • Project is a total of 1.74 km of reconstruction. • Range Road 233 is considered a Collector Road in the Roadway Classification network for Sturgeon County. • Maintenance costs average \$2,000 - \$3,000/km. • Traffic count indicates 300 vehicles per day. • Sight lines at intersection need improvement. • Administration will provide an overall vision of how this project ties into the adjacent projects during the RFD presentation.

	<ul style="list-style-type: none"> Noyen Construction Ltd. has not worked directly for Sturgeon County in the past, however references have been checked and Administration is satisfied the contractor can deliver the project within scope, on time, and on budget. <p><u>External Communication</u></p> <ul style="list-style-type: none"> None. <p><u>Relevant Policy/Legislation/Practices:</u></p> <ul style="list-style-type: none"> Procurement Policy PRD_PRO_FI_2014 states that the lowest bid meeting the tender or request for proposal requirements and/or specifications will normally be accepted. Justification in writing along with recommendation must be submitted if the lowest bidder is not selected. Normally, the only reasons acceptable for selecting any but the lowest bidder would be; <ul style="list-style-type: none"> Low bidder does not meet the specifications. Low bidder cannot deliver within the required time. The quality of performance of previous contracts or services may be in question. The acceptance of low bid would result in higher overall end costs (such as operating or life cycle costs). The ability, capacity, experience and efficiency of the bidder. Once the tenders or request for proposals has been selected, all necessary contractual agreements, conditions, terms, documents, etc. will be completed and the tender or contract will be awarded. The opening of tenders or requests for proposals must be done in public tender meetings; tenders of \$500,000 in value or exceeding \$500,000 in aggregate value must be ratified at the following Council meeting.
Implication of Administrative Recommendation	<p><u>Strategic Alignment:</u></p> <p>Strong Local Governance and Regional Leadership – The awarding of this contract would be consistent with Sturgeon County’s procurement policy and is consistent with Sturgeon County’s 4-Stage Capital Plan.</p> <p>Community Identity & Spirit – Awarding this contract will promote Sturgeon County with local residents due to the nature of the work associated with this project.</p> <p>Planned Growth – This project considers cumulative costs and long term funding implications associated with the management of this infrastructure asset.</p> <p>Maintain and Enhance Strong Communities – The reconstruction of Range Road 233 will demonstrate a commitment to the community that Sturgeon County is committed to maintaining and updating existing infrastructure.</p> <p>Operational Excellence – The reconstruction of Range Road 233 will reduce future maintenance costs and allow transportation resources to be re-allocated to other priority projects as well.</p> <p><u>Organizational:</u></p> <p>Sturgeon County Engineering Services has retained AMEC Foster Wheeler (AMEC) to provide preliminary engineering, design, tender, and project management services for this Contract.</p>

AMEC will also be responsible for providing contract administration, quality assurance and materials testing services for the project.

Financial:

Range Road 233			
Item	Approved Budget	Estimate 'C'	After Tender
Construction	\$-	\$699,000	\$696,769
+ Contingency	\$-	\$69,900	\$69,677
Sub Total	\$1,167,100	\$768,900	\$766,446
Engineering	\$140,000	\$183,980.10	\$183,980.10
Utilities	\$34,200	\$17,500	\$17,500
Land	\$25,000	\$13,000	\$13,000
Total	\$1,366,300	\$983,90.10	\$980,926.10

Financial Summary of Range Road 233	
Contract Cost	\$696,769
Contingency	\$69,677
Engineering	\$183,980
Utilities	\$17,500
Land	\$13,000
Total	\$980,926
Budget	\$1,366,300

Alternatives Considered

County council not award the contract at this time.

Implications of Alternatives

Strategic Alignment:

- Not awarding a contract would be inconsistent with Sturgeon County practice and procedures.

Organizational:


- To date, Sturgeon County has allocated resources and effort in coordinating the reconstruction of Range Road 233.

Financial:

- If the contract was not awarded, Sturgeon County would still be responsible for the engineering costs to date.
- Total of these costs is estimated to be \$80,000.

Follow up Action

1. Award the contract
2. Construction start-up meeting.

Attachment(s)	<ol style="list-style-type: none">1. Location Plan2. Summary of Tenders Received
Report Reviewed by:	<div data-bbox="509 216 959 279"></div> <div data-bbox="509 321 1081 359">Brian Hartman, Manager, Engineering Services</div> <div data-bbox="509 380 820 506"></div> <div data-bbox="509 527 1206 564">Stephane Labonne, General Manager Integrated Growth</div> <div data-bbox="537 627 792 726"></div> <div data-bbox="509 741 1081 779">Peter Tarnawsky, County Commissioner – CAO</div>

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"> Consistent with neighborhood role (see MDP), master plans, policies 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Considers fiscal stability and sustainability 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Has a positive impact on regional and sub-regional cooperation 	<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"> Compliance with Provincial and Federal regulations and/or legislation 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Ensure effective environmental risk management 	<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"> Promotes and/or enhances residents' identification with Sturgeon County 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Enhances service provision through community partnerships 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Supports Sturgeon County's cultural history 	<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"> Does the proposal align with the Integrated Regional Growth Strategy (map/policies) pg. 26 MDP 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Considers cumulative costs and long-term funding implications 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Targets growth around current or planned infrastructure 	<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"> Positive impact on residents' quality of life 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Supports and promotes volunteer efforts 	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Provides programs and services that are accessible to all residents 	<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"> Staff have the knowledge, skills and capability to perform their jobs 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Streamlines operational processes and policies 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Promotes engagement and professional interaction with stakeholders 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> Considers a cost-structure which allows Sturgeon County to remain competitive within a regional, national and global context 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>