



City of  
**Peterborough**

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**To:** **Members of the General Committee**

**From:** **Jasbir Raina, Commissioner of Infrastructure and Planning Services**

**Meeting Date:** **June 5, 2023**

**Subject:** **Pre-commitment of Funds and Award of ITT-19-23 Armour Road Reconstruction and Resurfacing, Report IPSENG23-010**

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## **Purpose**

A report to recommend the pre-commitment of funds and award of ITT-19-23 Armour Road Reconstruction and Resurfacing. The works will include the reconstruction of Armour Road from Hunter Street East to Clifton Street including new pedestrian signals at Douro Street.

## **Recommendations**

That Council approve the recommendations outlined in Report IPSENG23-010, dated June 5, 2023, of the Commissioner of Infrastructure and Planning Services, as follows:

- a) That a \$1,000,000 budget amount for the 2024 Capital budget for Curtis Creek Watershed Improvements be pre-committed; and
- b) That the 2023 approved capital budget for Curtis Creek Watershed Improvements (Project Reference 5-6.01) be increased by \$1,550,000 from \$6,950,000 to \$8,500,000, with the additional funding from the PUG Services Corp. water contribution in the amount of \$1,550,000; and
- c) That ITT-19-23 Armour Road Reconstruction and Resurfacing, be awarded to GIP Paving Inc., 3075 Maple Grove Road, Bowmanville, Ontario, L1C 6N2, at a cost of \$6,472,435.07, plus HST of \$841,416.56, for a total cost of \$7,313,851.63; and
- d) That a provisional work value of \$200,000 be committed to the project and the Commissioner of Infrastructure and Planning Services be provided the authority to adjust the purchase order value to an upset limit of \$6,672,435.07, excluding HST, as necessary to complete this project.

## Budget and Financial Implications

The total project costs, net of the HST rebate, including contingency allowance, costs incurred to date, engineering and project management are as follows:

Line	Description	Amount
1	ITT-19-23 Armour Road Reconstruction and Resurfacing	\$6,472,435.07
2	Provisional Work	\$ 200,000.00
3	Sub-total	\$6,672,435.07
4	HST Payable by the City	\$ 117,434.86
5	Curtis Creek Watershed Improvements costs incurred and committed to date (ITT-05-19 Curtis Creek culvert replacements and channel realignment detailed design)	\$1,650,000.00
6	Geotechnical and Material Testing Allowance	\$ 90,000.00
7	Engineering and Contract Administration	\$ 970,000.00
8	<b>Total Estimated Project Cost (Net of HST rebate)</b>	<b>\$9,499,869.93</b>

Provisional work would include those additional or unforeseen items that are best addressed while road work is underway. Addressing these items at the time of the planned work is advantageous from a logistics, cost and disruption to the community perspective.

Funding for the ITT-19-23 Armour Road Reconstruction and Resurfacing project will come from the following sources:

Line	Description	Allocation of Project Costs
1	2023 Capital Budget (Project 5-6.01) Curtis Creek Watershed Improvements – Armour Road Reconstruction	\$6,950,000
2	Pre-commitment of Curtis Creek Watershed Improvements (2024 Capital Budget)	\$1,000,000
3	PUG Services Corp. Water Contribution	\$1,550,000
4	<b>Total</b>	<b>\$9,500,000</b>

The total estimated project cost of \$9,499,869.93, net of HST rebate, for ITT-19-23 can be accommodated within the uncommitted balances of the amended budgets listed in the above table and with the pre-commitment of 2024 Capital funds.

The City has received funding from the Disaster Mitigation and Adaptation Fund to aid in delivering the proposed storm sewer capacity upgrades as well as increasing the size of the sanitary sewer to address existing capacity issues that forms part of this project.

## **Background**

### **Brief Description of the Work**

The project covers the reconstruction of Armour Road from Hunter Street East to Clifton Street including new pedestrian signals at Douro Street, the installation of storm sewer, sanitary sewer, water main, streetlights, tree plantings and storm water management infrastructure.

Budgetary impacts to the project have been realized due to recent years inflationary pressures as well as the following components of the project:

### **Storm Water Management Infrastructure**

The storm water management and low impact development infrastructure has been included as part of the project in accordance with the newly introduced regulations and the trunk storm sewer on Armour Road required significant upsizing. The additional cost is approximately \$1,400,000.

### **PUG Services Corp. Water Contribution**

During the detailed design PUG Services Corp. indicated the interest to replace water main infrastructure within the limits of construction. The additional cost is approximately \$1,550,000 which will be recovered from PUG Services Corp.

### **Procurement Type, Closing, Prepared by, Reviewed by**

ITT-19-23 closed on April 27, 2023, at 2:00 p.m. local time. The tender was prepared by City Staff and reviewed and evaluated by the Engineering Services Manager, Construction Services Manager and the Purchasing Program Manager.

## Tender Summary

Chart 1 below provides a summary of the Tender results:

**Chart 1 ITT-19-23 Armour Road Reconstruction and Resurfacing**

Firm Name	Address	Bid (Excluding HST)
GIP Paving Inc.	3075 Maple Grove Road, Bowmanville, Ontario L1C 6N2	\$6,472,435.07
Elirpa Construction & Materials Ltd.	P.O. 187, 2890 Brock Road, Pickering, Ontario, L1V 2R4	\$8,517,784.61
Dufferin Construction Company, a division of CRH Canada Group Inc.	585 Michigan Drive, Unit #1 Oakville, Ontario, L6L 0G1	\$8,627,000.00

## Recommended Bidder

Three compliant bids were received and based on the lowest bid City staff are recommending that ITT-19-23 be awarded to GIP Paving Inc. GIP Paving Inc. has performed satisfactorily on numerous construction projects in previous years for the City.

## Timelines

If the recommendations are approved, an agreement will be prepared and is to be signed by the City Clerk and either the CAO or the Treasurer, under their delegated authority as per section 7.5.6 of the Procurement By-law 22-070 before the work commences.

The contractor is tentatively scheduled to commence work in July 2023, and it is anticipated that the work will be substantially completed by the fall of 2023 with final underground infrastructure, surface asphalt and landscaping to be completed in spring/summer of 2024.

To facilitate construction, Armour Road will be closed from Hunter Street East to Parkhill Road East for the duration of the contract. Access to local properties will be maintained.

The south bound traffic detour on Armour Road is Parkhill Road to George Street to Hunter Street to Armour Road. The north bound traffic detour on Armour Road is Hunter Street to Water Street to Parkhill Road to Armour Road.

Armour Road will not be accessible via McFarlane Street. The detour route for Ashburnham Drive south bound traffic is Hunter Street to Water Street to Parkhill Road to Armour Road. The detour route for Ashburnham Drive north bound traffic is Maria Street to Burnham Street to Hunter Street to Water Street to Parkhill Road to Armour Road.

Future phases of the Curtis Creek Watershed Improvements project will include additional realignments of Curtis Creek from the Otonabee River to the Trent Canal and other future recommended projects within the Curtis Creek Watershed.

### **Council Approval Required**

Under Part 7, Section 7.4 d. of the Procurement By-law 22-070, Council must approve an Award, where the contract value cannot be accommodated within an approved budget and therefore requires a budget transfer or a pre-commitment against a future years' budget.

## **Summary**

The award of ITT-19-23 Armour Road Reconstruction and Resurfacing has been issued in accordance with the City's Procurement By-law 22-070 and can be awarded within the approved and pre-committed budgets as recommended in this report.

Submitted by,

Jasbir Raina, CEng., M.Tech, MBA, PMP, MIAM  
Commissioner, Infrastructure and Planning Services

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