

To:	Warden Halliday and Members of Grey County Council
Committee Date:	April 26, 2018
Subject / Report No:	TR-CW-23-18
Title:	Tender Award Grey Road 15 (3 rd Avenue East, City of Owen Sound)
Prepared by:	Matt Marck, Engineering Manager Sharon Melville, Buyer
Reviewed by:	Pat Hoy, Director of Transportation Services
Lower Tier(s) Affected:	City of Owen Sound
Status:	Recommendation adopted as presented by Committee of the Whole per Resolution CW110-18; Endorsed by County Council on May 10, 2018.

Recommendation

1. That Report TR-CW-23-18 being a report containing the tender results for City of Owen Sound Contract T-17P.21 be received; and
2. That Bridge Excavating Limited be awarded the Grey County portion of the tender for a total amount of \$967,443.53 (net HST) which includes contingency allowance; and
3. That the project deficit of \$29,774.88 be funded from any surplus realized from within the 2018 capital construction budget or, if a surplus is not available, from the Federal Gas Tax Reserve.

Executive Summary

The City of Owen Sound tendered the project on February 20, 2018 and closed March 28, 2018.

In harmony with Owen Sound's resolution dated April 9, 2018 stating:

THAT in consideration of Staff Report CR-18-051 respecting T-17P.21 3rd Avenue East/Grey Road 15 Reconstruction Phase II, City Council awards the above noted to Bridge Excavating Ltd., the lowest bid received at \$3,289,828.00, it is recommended to award T-17P.21 to Bridge Excavating Limited for the bid amount of \$3,289,828.00, excluding taxes, of which, the County of Grey portion is \$1,029,774.88 (net HST).

Background and Discussion

The City of Owen Sound and Grey County have worked together to complete a design to reconstruct a section of Grey Road 15 (3rd Avenue East) from 190 metres south of 21st Street East to 160 metres north of 21st Street East, Owen Sound.

Grey County owns the road right-of-way and has jurisdiction over the road. The road is in poor condition and requires reconstruction. The City of Owen Sound has municipal infrastructure such as watermain, sanitary sewers and sidewalks within the corridor that require replacement and updating.

The project includes the replacement of the sanitary sewers, water mains and storm sewers, as well as the upgrading of the road to an urban cross section, and reconstruction of the road bed.

The County will be responsible for the road work as identified in the Grey County Policy for Maintenance and Construction in Urban Areas.

The majority of the cost for this project will be funded by the City of Owen Sound. As a result, they have taken the lead role in the administration of the Consultant Engineering Assignment.

The following two submissions were received.

#	Name of Bidder	Bid Amount (Excluding Taxes)
1	Harold Sutherland Construction Ltd.	\$3,391,882.24
2	Bridge Excavating Ltd.	\$3,289,828.00

Legal and Legislated Requirements

None

Financial and Resource Implications

Project Funding

Item	Excluding HST	Net HST
Approved Project Budget (Grey County Portion)		\$1,000,000
Awarded Tender Amount (Grey County Portion)	\$860,711.03	\$875,859.53
Construction Contingency (10.45%)		\$91,584.00
Design and contract administration costs (Grey County Portion)		\$62,331.35
Total Tender Projected Costs (Grey County Portion)		\$1,029,774.88
Project Deficit (Grey County Portion)		\$29,774.88

The project deficit can be attributed to:

- Increase in asphalt costs for 2018
- Increase in granular material costs for 2018

Staff recommends that the shortfall for this project be funded from any surplus realized from within the 2018 Capital construction budget, or if a surplus is not available, from the Federal Gas Tax Reserve.

Relevant Consultation

Internal (list)

External (list)

Appendices and Attachments

Project Limits Map

Project Limits Map

