 Committee Report

# Report TR-CW-23-17

**To**: Warden Barfoot and Members of Grey County Council

**From**: Matt Marck, Engineering Manager

 **Sharon Melville, Buyer**

**Meeting Date:** July 13, 2017

**Subject: Award of RFT-TS-13-17 Milling and Hot Mix Paving**

**Status**:

## Recommendation

1. **That Report TR-CW-23-17 regarding tender award recommendations for RFT-TS-13-17 for Milling and Hot Mix Paving be received and that all schedules in the tender be awarded to E.C. King Construction for $647,499.35 excluding taxes; and**
2. **That a 10% construction contingency be added to the tender price resulting in a revised estimated cost of $724,784.87 net HST; and**
3. **That the total estimated minor capital budget shortfall of $322,014 be funded from savings in the construction budget.**

## Background

The parameters for the tender are as follows:

* The tender consists of asphalt patches broken down into 4 schedules and will be awarded by schedule

The tender was posted on the Grey County website from June 9, 2017 until June 27, 2017. The bids received are shown below.

### Schedule ‘A’ Glenelg Road 23 Bridge Hot Mix Paving

| **Name of Bidder** | **Total Bid Amount****(excluding taxes)** |
| --- | --- |
| Harold Sutherland Construction | $21,133.50 |
| EC King Contracting  | $11,468.42 |

### Schedule ‘B’ Grey Road 9 and Grey Road 14 Milling and Hot Mix Paving

| **Name of Bidder** | **Total Bid Amount****(excluding taxes)** |
| --- | --- |
| Harold Sutherland Construction | $281,639.35 |
| EC King Contracting  | $194,891.27 |

### Schedule ‘C’ Grey Road 12 Milling and Hot Mix Paving

| **Name of Bidder** | **Total Bid Amount****(excluding taxes)** |
| --- | --- |
| Harold Sutherland Construction | $302,801.36 |
| EC King Contracting  | $288,486.66 |

### Schedule ‘D’ Grey Road 13 Milling and Hot Mix Paving

| **Name of Bidder** | **Total Bid Amount****(excluding taxes)** |
| --- | --- |
| Harold Sutherland Construction | $183,505.00 |
| EC King Contracting  | $152,653.00 |

It is recommended to award RFT-TS-13-17 Schedules A, B, C and D to E.C. King Contracting in the amount of $647,499.35, excluding taxes.

## Financial/Staffing/Legal/Information Technology Considerations

The funding chart below identifies the total estimated project cost including construction contingency, source of funding and budget shortfall.

### Project Funding

| **Item** | **Excluding HST** | **Net HST** |
| --- | --- | --- |
| **Minor Capital Approved Budget**  |  | **$600,000.00** |
| Less: Amount previously committed/spent |  | (197,229.00) |
| **Balance Remaining for use in 2017** |  | **$402,771.00** |
| Awarded Tender Amount | $647,499.35 | $658,895.34 |
| Construction Contingency (10%) |  $64,749.94 | $ 65,889.53 |
| **Total RFT-TS-13-17 Projected Costs** |  | **$724,784.87** |
| **Minor Capital Budget Deficit** |  | **($322,013.87)** |

This contract requires a 10% construction contingency due to the fact that asphalt patches may need to be adjusted to fit field conditions. Therefore, a contingency was deemed reasonable and is slated to compensate for any unforeseen quantity overruns and possible fluctuations in the Asphalt Cement Price Index.

The minor capital approved budget totals $600,000 and of this amount approximately $197,230 has been spent to date, which includes $83,000 for the Springmount drain and $54,440 for sewer flushing and inspection at a cost greater than expected. The minor capital budget could end the year with an estimated shortfall of $322,014 and savings from the construction budget will offset this shortfall.

## Link to Strategic Goals/Priorities

This asphalt patching project will help maintain a healthy road network and increase the life expectancy of the overall system.

## Attachments

All attached illustrations show locations where patching will take place. Please note, with the exception of Schedule D, the entire sections are not being paved, only the worst portions will be patched.

[Schedule A Map Glenelg Bridge 23](https://docs.grey.ca/share/s/lsbbRoSCTkalsnJ6InB_qw)

[Schedule B Map 1 Grey Road 9](https://docs.grey.ca/share/s/s7sBs-_UQH2JapSjdQCObQ)

[Schedule B Map 2 Grey Road 14](https://docs.grey.ca/share/s/qdOgUJ-jSpi1qOJAt9jBww)

[Schedule C Map Grey Road 12](https://docs.grey.ca/share/s/HL36mIzPTomJIkPBtMjm1A)

[Schedule D Map Grey Road 13](https://docs.grey.ca/share/s/XxZRPTBbQIidi0AzmMSJLw)

Respectfully submitted by,

Matt Marck, Engineering Manager

Sharon Melville, Buyer

Director Sign Off: Pat Hoy, Director of Transportation Services