

To:	Warden Milne and Members of Grey County Council
Committee Date:	March 23, 2023
Subject / Report No:	TR-CW-05-23
Title:	Tender Award Grey Road 28 (24 th Avenue, Town of Hanover)
Prepared by:	Trevor Ireton, Project Planning Engineer Sharon Melville, Administration Manager
Reviewed by:	Pat Hoy, Director of Transportation Services
Lower Tier(s) Affected:	Town of Hanover
Status:	Recommendation adopted by Committee as presented per Resolution CW60-23; Endorsed by County Council April 13, 2023, per Resolution CC29-23.

Recommendation

1. That report TR-CW-05-23 being a report containing the tender results for Town of Hanover Contract 10007 be received; and
2. That Cedarwell Excavating Limited be awarded the Grey County portion of the tender for a total amount of \$950,490.83 excluding HST, which includes contingency allowance.

Executive Summary

The Town of Hanover tendered the project on February 7, 2023, and closed March 1, 2023. The Town of Hanover will be formally awarding the project at its March 20, 2023, Council meeting.

Background and Discussion

The Town of Hanover and Grey County have worked together to complete a design to reconstruct a section of Grey Road 28 (24th Avenue) from 14th Street to the Saugeen River bridge to the north.

Grey County owns the road right-of-way and has jurisdiction over the road. The road is in poor condition and requires reconstruction. The Town of Hanover also has municipal infrastructure within the corridor that requires replacement and updating.

The project includes upgrading the road to a combination of both an urban and rural cross section which includes the reconstruction of the roadbed, addition of paved shoulders and an

expanded storm sewer network. The Town of Hanover will be installing a new watermain as part of this project to service continued development along the northern portion of Grey Road 28.

This project was originally to include reconstruction of the road from Grey Road 4 (10th Street) north to the Saugeen River bridge. The project limits were shortened in January 2023 due to the complexities of determining a future lane configuration that works with the intersection of Grey Road 4 and Grey Road 28. Staff determined that a proper investigation of the intersection is required to determine the optimal lane configuration before Grey Road 28 is designed between Grey Road 4 (10th Street) and 14th Street. This will eliminate any need to reconstruct Grey Road 28 a second time due to changing lane configuration for the intersection.

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

Approximately 40% of the cost for this project will be funded by the Town of Hanover. Due to the complexity of the design related to the watermain, the Town have taken the lead role in the administration of the Consultant Engineering Assignment.

The following three submissions were received.

#	Name of Bidder	Bid Amount (Excluding Taxes)
1	Cedarwell Excavating Ltd.	\$1,588,714.10
2	Omega Contractors	\$1,621,259.91
3	Moorefield Excavating Ltd.	\$2,039,535.10
4	Kurtis Smith Excavating Inc.	\$2,048,000.00
5	SMRS Construction	\$2,129,507.25
6	Roubos Farm Service Ltd.	\$2,210,920.30

Legal and Legislated Requirements

None

Financial and Resource Implications

Project Funding

Item	Excluding HST	Net HST
Approved Total Project Budget (Grey County Portion)	\$2,305,719.34	\$ 2,346,300.00
Tender Award Amount (Grey County Portion)	\$950,490.83	\$967,219.47
Design and Contract Administration (Grey County Portion)	\$75,000.00	\$76,320.00
Total Tender Projected Costs	\$1,025,490.83	\$1,043,539.47

The large difference in the tendered amount compared to budget can be attributed to:

- Reduction of scope to include only 14th Street to the Saugeen River bridge (42% of original project length deferred)
- Competitive bidding amongst local Contractors

The total project expenditures amount is under budget by \$1,302,760.53 net HST. While the project expenditures amount is under budget by \$1,302,760.53, due to the reasons stated above, the surplus of levy funds is estimated at \$330,972.27. The reduced project expenditures will result in less funds being withdrawn from the Development Charges Reserve compared to budget as the eligible project expenditures are now less than budgeted. Staff recommends that the levy surplus for this project be placed into the Transportation Services General Reserve to be used to fund the deferred works in the future.

Relevant Consultation

- Internal
- External

Appendices and Attachments

Project Limits Map

Project Limits Map

