

To:	Warden Halliday and Members of Grey County Council
Committee Date:	May 10, 2018
Subject / Report No:	TR-CW-27-18
Title:	Tender Award Grey Road 4 (Durham)
Prepared by:	Matt Marck, Engineering Manager Sharon Melville, Buyer
Reviewed by:	Pat Hoy, Director of Transportation Services
Lower Tier(s) Affected:	Municipality of West Grey
Status:	Recommendation adopted by the Committee of the Whole as presented per Resolution CW124-18; Endorsed by County Council on May 24, 2018.

Recommendation

1. That Report TR-CW-27-18 containing the tender results for Municipality of West Grey Request For Tender WG 18-06 be received; and
2. That Moorefield Excavating Ltd. be awarded the Grey County portion of the tender for a total amount of \$840,860.00 (excluding HST); and
3. That the project deficit of \$216,717.55 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 Municipality of West Grey tendered the project on March 22, 2018 and closed on April 11, 2018. The Municipality of West Grey will be formally awarding the project at their May 7, 2018 Council meeting.

Background and Discussion

The Municipality of West Grey and Grey County have worked together to complete a design to reconstruct a section of Grey Road 4 (Bruce Street North and Lambton Street West) from Chester Street East to Highway 6 in Durham.

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

The project includes the replacement of the sanitary sewers, watermains and storm sewers, as well as the reconstruction of the road bed.

As a cost saving measure, the services of the Grey County Tree Crew will be supplied to take down several conflicting trees within the limits of construction and patrol forces will be utilized to set up detour signing as required.

Grey 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 Municipality of West Grey. 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.	Moorefield Excavating Ltd.	\$2,619,160.00
2.	Seeley and Arnill Construction	\$3,315,406.46

Legal and Legislated Requirements

None

Financial and Resource Implications

Project Funding

Item	Excluding HST	Net HST
Approved Project Budget (Grey County Portion)		\$750,000
Awarded Tender Amount (Grey County Portion)*	\$840,860.00	\$855,659.14
Construction Contingency (10%)		\$85,565.91
Design and contract administration costs (Grey County Portion)		\$25,492.50
Total Tender Projected Costs (Grey County Portion)		\$966,717.55
Project Deficit (Grey County Portion)		\$216,717.55

Note: *\$106,250.00 (\$108,120.00 (net HST)) of award amount to be carried forward to 2019 to pave surface course. This amount will be transferred to reserve in 2018 and re-budgeted in 2019.

The project deficit can be attributed to:

- Increase in asphalt costs for 2018
- Increase in granular material costs for 2018
- Increase in scope of work from original estimate (increased excavation for road bed, resulting in increased associated item quantities).

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

Grey County Finance Department
Grey County Committee of the Whole by way of this report

External

Municipality of West Grey Staff

Appendices and Attachments

Project Limits Map

Project Limits Map

