

To:	Warden Halliday and Members of Grey County Council
Committee Date:	May 24, 2018
Subject / Report No:	TR-CW-31-18
Title:	Award of RFT-TS-11-18 Grey Road 9 Hot Mix Paving
Prepared by:	Matt Marck, Engineering Manager Sharon Melville, Buyer
Reviewed by:	Pat Hoy, Director of Transportation Services
Lower Tier(s) Affected:	Township of Southgate
Status:	Recommendation adopted by Committee as presented as per Resolution CW138-18 on May 24, 2018; Endorsed by County Council on June 14, 2018 per Resolution CC57-18.

Recommendation

1. That Report TR-CW-31-18 regarding tender award recommendations for RFT-TS-11-18 be received and that the tender be awarded to **Aecon Construction and Materials Limited** for **\$389,575.12, excluding taxes; and**
2. That a **10% construction contingency** be added to the tender price resulting in a revised estimated project cost of **\$436,074.81 net HST; and**
3. That the project deficit of **\$86,074.81** will 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 tender for the milling and paving of Grey Road 9 was posted on the Grey County website from Thursday, April 12, 2018 until Thursday, May 3, 2018.

It is recommended to award RFT-TS-11-18 to **Aecon Construction and Materials Limited** for the bid amount of **\$389,575.12, excluding taxes.**

Background and Discussion

The parameters for the tender are as follows:

- Hot mix paving overlay from Grey Road 8 to Ida Street, Dundalk
- Several miscellaneous patches on Grey Road 9 east of Grey Road 109

The following is a list of the bids received:

Name of Bidder	Bid Amount (Excluding Taxes)
Aecon Construction and Materials Limited	\$389,575.12
Cox Construction Limited	\$465,314.46
Harold Sutherland Construction Ltd.	\$576,029.45
The Murray Group Limited	\$431,415.32

Legal and Legislated Requirements

None

Financial and Resource Implications

The funding chart below identifies the total tender costs.

Project Funding

Item	Excluding HST	Net HST
*Approved Project Budget (Grey Road 9)		\$350,000.00
Awarded Tender Amount	\$389,575.12	\$396,431.64
Construction Contingency (10%)		\$39,643.17
Total Tender Projected Costs		\$436,074.81
Project Deficit		\$86,074.81

*It should be noted that of the \$350,000 approved budget for this project, \$114,000.00 is in the form of a Grant from the Ontario Municipal Commuter Cycling (OMCC) program to be used to incorporate paved shoulders into this project.

A 10% construction contingency was deemed reasonable and is slated to compensate for any unforeseen quantity overruns and possible fluctuations in the Asphalt Cement Price Index.

The project deficit can be attributed to:

- Increase in asphalt costs for 2018
- Increase in material costs (due to trucking-fuel)

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

Appendices and Attachments

Project Limits Map

Project Limits Map

