

Report TR-TAPS-32-14

To: Chair Barfoot and Members of the Transportation and Public Safety Committee
From: Pat Hoy, Engineering Manager and Sharon Melville, Buyer
Meeting Date: April 17, 2014
Subject: Award of RFT-TS-11-14 Grey Road 2 Hot Mix Paving Award
Status: Recommendation adopted by Committee as presented per Resolution TAPS54-14; Endorsed by County Council May 6, 2014 per Resolution CC60-14;

Recommendation(s)

WHEREAS the 2014 budget for two Grey Road 2 Hot Mix Paving projects was \$772,173 with the project consisting of paving in two locations, design, tendering, construction, inspection, and quality assurance;

AND WHEREAS RFT-TS-11-14 for Grey Road 2 Hot Mix Paving was issued on Friday, February 21, 2014 and closed on Tuesday, March 18, 2014;

NOW THEREFORE BE IT RESOLVED THAT Report TR-TAPS-32-14 being a report containing the tender results for RFT-TS-11-14, be received;

AND THAT the RFT-TS-11-14 be awarded to E.C. King Contracting for a bid price of \$930,905.10, excluding HST;

AND THAT a 10% contingency and 5% contract administration and quality assurance, be added to the total project expenditure for a revised project cost to the County of Grey of \$1,089,382.38 net HST;

AND FURTHER THAT the approximate \$650,000 surplus from tender RFT-TS-12-14 (Grey Road 1) be utilized to fund the approximate \$317,000 budgeted shortfall for RFT-TS-11-14 (Grey Road 2).

Background

The Tender for the Hot Mix Paving of Grey Road 2 was posted on the County of Grey's website from Friday, February 21, 2014 to Tuesday, March 18, 2014.

The tender included two schedules (awarded together). The bid summary is listed below:

RFT-TS-11-14 – Grey Road 2 Hot Mix Paving (8.3 km+ 1.85 km).

Name of Bidder	Total Bid Amount (excluding taxes)
E.C. King Construction	\$930,905.10
Aecon Construction	\$966,424.20
Harold Sutherland Construction	\$1,1,786,447.53

The 2014 budget estimate was completed before the project reached the final design stage. During the detailed design process, the quantity of pavement was increased to accommodate the paved shoulder and additional guide rail added to the project for safety reasons. As a result, the estimated cost of the project increased.

It is recommended E.C. King Construction be awarded RFT-TS-12-14 in the amount of \$930,905.10.

Financial / Staffing / Legal / Information Technology Considerations

RFT-TS-11-14 is recommended to be awarded to E.C. King Construction in the amount of \$947,289.03 net HST. It is anticipated that the engineering costs will be approximately 5% of the tender value or \$47,364.45 and the contingency costs will be approximately 10% of the tender value or \$94,728.90. The total project cost for the project will be approximately \$1,089,382.38 which is \$317,209 over the budget of \$772,173. The shortfall will be funded from the RFT-TS-12-14 surplus.

Link to Strategic Goals / Priorities

The values statement of the approved Corporate Strategic Plan includes fiscal responsibility. Consistent application of the purchasing policy requirements focuses on the commitment to ensure effective and efficient processes, which offer prudent use of public funds.

Respectfully submitted by,

Patrick Hoy
Engineering Manager

Director Sign Off: *Michael Kelly, Director of Transportation Services*