



## Staff Report

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**Report To:** Dan Best, Chief Administrative Officer

**From:** **Don Giberson, Director of Operations and Infrastructure**

**Date:** July 3 2018

**Report:** ESD.18.31

**Subject:** Tender Results for Surface Treatment of Mollard Line (County Road #81 to Crediton Road) and McTaggart Line (Rogerville Road to Line 17)

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### Recommendations:

**That** South Huron Council receive the report from Don Giberson, Director of Operations and Infrastructure RE: Tender Results for Surface Treatment of Mollard Line (County Road #81 to Crediton Road) and McTaggart Line (Rogerville Road to Line 17) AND;

**That** South Huron Council accept the tender received from the low bidder Norjohn Contracting and Paving Limited and authorize the award of a contract for Surface Treatment of Mollard Line (County Road #81 to Crediton Road) and McTaggart Line (Rogerville Road to Line 17) in the amount of 145,485.24 (including HST).

### Purpose:

Approval

### Background and Analysis:

The tender for the Surface Treatment of Mollard Line (County Road #81 to Crediton Road) and McTaggart Line (Rogerville Road to Line 17) was advertised on the Bidding web site, in accordance with section 9(b) of the Procurement By-Law #33-2017 and was posted on Thursday, May 24, 2018.

Tenders closed on Friday, June 22, 2018 at 2:00pm and three (3) tenders were received by the Municipality. Tenders were opened in the presence of Deputy Mayor Dave Frayne, Sandy Becker Director of Financial Services, Dan Best CAO, Don Giberson, Director of Operations and Infrastructure and one contractor.

The following are the tender results:

	<b>Contractor</b>	<b>Price</b>	<b>HST</b>	<b>Total Cost</b>
		<b>(Excluding HST)</b>		<b>(Including HST)</b>
1	Norjohn Contracting and Paving Ltd	\$128,748.00	\$16,737.24	\$145,485.24
2	MSO Construction Limited	\$146,531.20	\$19,049.06	\$165,580.26
3	Shepley Road Maintenance Ltd	\$151,462.60	\$19,690.14	\$171,152.74

Tenders were checked; found to be complete and in conformance with the specifications.

### **Operational Considerations:**

There were no alternatives considered.

### **South Huron's Strategic Plan:**

Section 6.2.2 of the Municipality of South Huron 2015- 2019 Strategic Plan identifies key objectives that are reflective of the collective perspectives of the strategic planning process.

The recommendations and actions outlined in this report are reflective of the following strategic objectives:

Administrative Efficiency and Fiscal Responsibility

Increased Communications and Municipal Leadership

Transparent, Accountable and Collaborative Governance

Dedicated Economic Development Effort

### **Financial Impact:**

The cost associated with the Surface Treatment of Mollard Line (County Road #81 to Crediton Road) and McTaggart Line (Rogerville Road to Line 17) is included in the 2018 Capital Budget.

A financial analysis of the tender received from the low bidder was carried out and summarized as follows:

<b>FINANCIAL ANALYSIS SUMMARY</b>	
	<b>Total</b>
<b>Lowest tender price</b>	\$128,748.00
<b>13% HST</b>	\$16,737.24
<b>TOTAL</b>	<b>\$145,485.24</b>
<b>Project Cost (Prior to HST)</b>	\$128,748.00
<b>Non-recoverable HST</b>	\$2,265.96
<b>TOTAL</b>	<b>\$131,013.96</b>
<b><u>Approved 2018 Capital Budget</u></b>	
Mollard Line (County Rd #81 to Crediton Rd) and McTaggart Line (Rogerville Rd to Line 17)	\$142,632.00
<b>Subtotal</b>	<b>\$142,632.00</b>
<b>Net Difference Approved Budget vs Project Cost</b>	<b>\$11,618.04</b>

The total cost of this project, including non-recoverable HST, is within the amount in the approved 2018 Capital Budget.

### **Legal Impact:**

There are no legal implications for the Corporation resulting from the proposed recommendation.

### **Staffing Impact:**

There are no staffing implications for the Corporation resulting from the proposed recommendation.

### **Policies/Legislation:**

1. Approved 2018 Road Capital Budget
2. South Huron Asset Management Plan

### **Consultation:**

Director of Financial Services and Roads Foreman were consulted as part of the tender review and preparation of this report.

### **Related Documents:**

None

Respectfully submitted,

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by several vertical strokes and a horizontal line at the bottom.

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**Don Giberson, Director of Operations and Infrastructure**