



Staff Report

Report To: Dan Best, Chief Administrative Officer
From: Megan Goss, Manager of Public Works
Date: August 10 2020
Report: PW.24.20
Subject: Tender Award for Resurface of Elimville and Shipka Line

Recommendations:

That South Huron Council receive the report from M. Goss, re: Tender Results – Resurface of Elimville and Shipka Line and;

That South Huron Council awards the tender received from Lavis Contracting Co. Limited in the total amount of \$544,640.00 plus HST and;

Purpose:

For Approval

Background and Analysis:

The tender for Elimville Line and Shipka Line for resurface was advertised on the Bids and Tenders web site, in accordance with section 9(b) of the Procurement By-Law#33-2017. Bids and Tenders is an on-line procurement service for public sector tenders, quotations and RFPs.

The Elimville Line and Shipka Line tender was posted on Bids and Tenders on Monday June 29, 2020. Tenders closed on Monday July 27, 2020 at 2:00pm and four (4) tenders were received by the Municipality. Tenders were opened by Megan Goss, Manager of Public Works, in the presence of Mayor Finch and Maggie McBride, Financial Services Officer.

The following are the tender results:

Contractor	Subtotal	Non Recoverable HST	Total Cost
Lavis Contracting Co. Limited	\$ 544,640	\$ 9,585.66	\$ 554,225.66
Cope Construction & Contracting Inc.	\$ 554,729.25	\$ 9,587.23	\$ 554,316.48
COCO Paving Inc.	\$ 581,126	\$ 10,227.82	\$591,353.82
Dufferin Construction Company a Divison of CRH Canada Group Inc.	\$ 635,980	\$ 11,193.25	\$ 647,173.25

All tender submissions were found to be in conformance with the specifications. However the highest submission did not include a bid/performance bond which was a requirement.

Operational Considerations:

No alternatives were 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
- ✓ Transparent, Accountable and Collaborative Governance
- ✓ Dedicated Economic Development Effort

Financial Impact:

The costs associated with this project are included in the 2020 Transportation Services Capital Budget. The amount approved within the Capital Budget for the resurfacing of 2.7 km of Elimville Line and 4.14 km of Shipka Line is \$550,000. It should be noted that the original budget only included 2.7 km of Shipka Line however Council approved an additional 2.7 km and an increase of \$50,000 to the total budget on March 16th, 2020 as described in report [PW.03.20](#). \$500,000 of the budget will be funded through Gas Tax with the remaining \$50,000 funded by the Wind Turbine Reserve.

The financial analysis below shows the figures received from the low bid:

Financial Analysis Summary	
	Total
Pad & Top Coat of Elimville Line	\$178,940.00
Pad & Top Coat of Shipka Line	\$365,700.00
Subtotal	\$544,640.00
13% HST	\$70,803.20
Total	\$615,443.20
Cost Prior to HST	\$544,640.00
HST Expense	\$9,585.66
Our Cost	\$554,225.66
Approved Budget for 2020 Road Resurface Projects	\$550,000.00
Deficit	-\$4,225.66

The lowest bid is \$4,225.66 greater than the approved budget, however the amount that is over budget is offset by savings from the backhoe tender which was under budget by \$20,860 and can be incorporated in the overall Transportation capital budget.

Legal Impact:

There is no legal implications as a result of actions outlined in this report.

Staffing Impact:

There is no staffing implications as a result of the actions outlined in this report .

Communication Actions:

There is no communication actions as a result of the actions outlined in this report.

Policies/Legislation:

N/A

Consultation:

Shane Timmermans, Supervisor of Operations Transportation

Related Documents:

[PW.03.20- 2020 Capital Resurfacing Projects](#)

Respectfully submitted,

Megan Goss, Manager of Public Works