



Staff Report

Report To: Dan Best, Chief Administrative Officer
From: **Shane Timmermans, Manager of Transportation Services**
Date: February 22 2022
Report: TSD.22.04
Subject: Tender Results for Resurfacing Union Line and Corbett Line

Recommendations:

That South Huron Council receive the report from Shane Timmermans, Manager of Transportation Services RE: Tender Results for Resurfacing Union Line and Corbett Line AND;

That South Huron Council accept the tender received from Lavis Contracting Co. Limited. And authorize award of a contract for the Resurfacing of Union Line and Corbett Line in the amount of \$719,426.93 (including HST).

Purpose:

The purpose of this report is to notify Council of the tender results and to recommend award of a contract to the low bidder.

Background and Analysis:

The tender for the Resurfacing of Union Line and Corbett Line was posted on the Bids & Tenders on January 11, 2022.

Tenders closed on February 8, 2022 at 2:00pm and five (5) tenders were received by the Municipality. This was a fully digital tender and the tender opening was virtual via Zoom and was recorded for transparency. The tender files were opened by Maggie McBride, Financial Services Officer as witnessed

by Mayor George Finch, Shane Timmermans, Manager of Transportation Services and Don Giberson, General Manager of Infrastructure and Development

The following are the tender results:

Union Line & Corbett Line Resurfacing				
	Contractor	Price	HST	Total Cost
		(Excluding HST)		(Including HST)
1	Lavis Contracting Co. Limited	\$636,661.00	\$82,765.93	\$719,426.93
2	Coco Paving Inc	\$729,402.00	\$94,822.26	\$824,224.26
3	Dufferin Construction Company	\$747,360.00	\$97,156.80	\$844,516.80
4	Armstrong Paving & Materials Group	\$816,265.63	\$106,114.53	\$922,380.16
5	J-AAR Excavating Limited	\$851,794.00	\$110,733.22	\$962,527.22

The tenders were checked and found to be complete and in conformance with the specifications.

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
- ✓ Increased Communications and Municipal Leadership
- ✓ Transparent, Accountable and Collaborative Governance
- ✓ Dedicated Economic Development Effort

Financial Impact:

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

FINANCIAL ANALYSIS SUMMARY	
Union Line Resurfacing (including \$7,000 Contingency)	\$431,686.00
Corbett Line Resurfacing (including \$3,000 Contingency)	<u>\$204,975.00</u>
Subtotal (Construction Costs)	\$636,661.00
Non-recoverable HST	<u>\$11,205.23</u>
TOTAL	\$647,866.23
Approved Budget for Union Line Resurfacing	\$562,500.00
Approved Budget for Corbett Line Resurfacing	<u>\$178,080.00</u>
Subtotal	\$740,580.00
Net Difference Approved Budget vs Tender Cost	\$92,713.77

The total tendered cost, including non-recoverable HST, is within the total amount for the approved Capital Budgets. The tendered cost for the Union Line project (including non-recoverable HST) is \$123,216.33 under budget. However, the tendered cost for the Corbett Line project is \$30,502.56 over budget.

	Approved Budget	Tendered cost (including non-recoverable HST)	Net Difference (Budget vs Tender)
Union Line Resurfacing	\$562,500.00	\$439,283.67	\$123,216.33
Corbett Line Resurfacing	<u>\$178,080.00</u>	<u>\$208,582.56</u>	<u>-\$30,502.56</u>
	\$740,580.00	\$647,866.23	\$92,713.77

The Corbett Line project is funded entirely by the Turbine Reserve. In 2021 Council authorized \$93,252 be drawn from the Turbine Reserve to fund this project. In 2022 a further \$178,080 was authorized to be drawn from the Turbine Reserve to complete this project.

The 2021 project expenses were under budget by approximately \$63,470. Therefore, the total amount authorized to be drawn from the Turbine Reserve for this project is sufficient to cover the tendered amount for the Corbett Line project.

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.

Communication Actions:

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Tender Advertisement was posted on the Municipal Web Site and in the HUB. Unofficial tender results were posted on Bids&tenders. Contract award will be communicated to the public through the publishing of the Council Minutes. Union Line is a Grant funded project. Accordingly, a project sign will be posted acknowledging the contribution from the funding agency (ie. CCBF/ gas tax). Corbett Line is funded by the Turbine Reserve and the financial contribution from the Wind Turbine Companies will be acknowledged.

Policies/Legislation:

1. Approved 2022 Capital Budget
2. South Huron Asset Management Plan

Consultation:

Don Giberson, General Manager of Infrastructure and Development. Sandy Becker, General Manager of Financial Services.

Related Documents:

None

Respectfully submitted,

Shane Timmermans, Manager of Transportation Services