



Report to: General Committee

Meeting Date: April 8, 2019

SUBJECT: Award of Tender 002-T-19 Asphalt Maintenance
PREPARED BY: John Hoover, Supervisor, Roads Operations, Ext. 4808
Melita Lee, Senior Buyer, Ext. 2239

RECOMMENDATION:

1. THAT the report entitled “Award of Tender 002-T-19 Asphalt Maintenance” be received;
2. AND THAT the contract for asphalt maintenance be awarded to the lowest priced Bidder, Forest Contractors Ltd. for one (1) year in the amount of \$1,065,819.99 (Inclusive of HST), with an option to renew the contract for an additional three (3) years. The price will remain firm fixed for the first three (3) years. The remaining one (1) year will be subject to an annual price increase based on the Consumer Price Index for All Items Canada for the twelve (12) month period ending October 31 in the applicable year and shall not exceed 3%;
3. AND THAT the award in the amount of \$1,065,819.99 inclusive of HST be funded from operating and capital accounts as identified in the Financial Considerations section of this report with total available budget of \$1,268,260.00;
4. AND THAT the remaining budget in the amount of \$202,440.01 (\$1,268,260.00 - \$1,065,819.99) be utilized to address potential additional asphalt maintenance on an as required basis;
5. AND THAT the 2020 – 2023 purchase orders be adjusted for growth and/or price escalation, subject to Council approval of the respective year’s budgets;
6. AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

N/A

PURPOSE:

The purpose of this report is to obtain Council approval to award the contract for asphalt maintenance for one (1) year with an option to renew the contract for an additional three (3) years.

BACKGROUND:

Asphalt Maintenance is an annual program that includes the removal and replacement of asphalt infrastructure throughout the City.

OPTIONS/ DISCUSSION:**Tender Information (002-T-19)**

Bid closed on	March 4, 2019
Number picking up bid document	15
Number responding to bid	4*

*One bidder was declared ineligible to bid as they were identified on the disqualified vendors list.

Price Summary

Bidder	Bid Price (Inclusive of HST)
Forest Contractors Ltd.	\$1,065,819.99
C. Valley Paving Ltd.	\$1,380,694.94
Dig-Con International Ltd.	\$1,747,539.74

FINANCIAL CONSIDERATIONS

Account Name	Account #	Budget Available	Amount to Allocate to this project	Cost of Award	Budget Remaining
Asphalt Maintenance	700-501-5304	1,383,649	933,649.00	784,619.69	149,029.31
Localized Repairs - Parking Lots	050-6150-19180-005	257,000	257,000.00	215,977.59	41,022.41
Localized Repairs - Parking Lots	050-6150-18211-005	23,290	23,290.00	19,572.44	3,717.56
Railway Crossings	050-6150-18213-005	138,360	50,000.00	42,018.99	7,981.01
Bridge Maintenance	700-101-5399-18202	4,321	4,321.00	3,631.28	689.72
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Totals:		1,806,619	1,268,260.00	1,065,819.99	202,440.01

The remaining budget in the amount of \$202,440.01 will be used to address potential additional asphalt maintenance on an 'as required' basis. Asphalt maintenance requirements are anticipated to increase due to the freeze thaw cycles caused by the frequent temperature fluctuations experienced in the 2018/2019 winter season.

Operating Budget and Life Cycle Impact

There is no incremental impact to the operating budget and the Life Cycle Reserve Study.

HUMAN RESOURCES CONSIDERATIONS

N/A

ALIGNMENT WITH STRATEGIC PRIORITIES:

N/A

BUSINESS UNITS CONSULTED AND AFFECTED:

Finance department has been consulted and their comments have been incorporated.

RECOMMENDED BY:

Morgan Jones
Director of Operations

Brenda Librecz
Commissioner, Fire & Community
Services

ATTACHMENTS:

N/A