



Sent Electronically:

May 20, 2021

The Corporation of the  
Town of Essex  
33 Talbot St South  
Essex, ON  
N8M 1A8

Attention: Jackson Tang  
Assistant Manager, Business Services

**Tender Results & Recommendation**  
**RFT-ID-21-016 - Rush Drain & 14<sup>th</sup> Concession Drain Improvements**

Dear Mr. Tang:

The following tenders were received May 19, 2021 and are listed below in order of lowest to highest.

1. Murray Mills Excavating & Trucking (Sarnia) Ltd.	\$649,907.00
2. South Shore Contracting of Essex County Inc.	\$672,650.00
3. Sterling Ridge Infrastructures Inc.	\$685,203.14

The tender prices, as noted above, include a \$30,000.00 contingency, however these amounts, as shown, are before adding the HST.

All three (3) bids were reviewed and found to be complete. This included signatures for acknowledgement of tender documents, submission of Addendum No. 1, Occupational Health & Safety Declaration, Accessibility Agreement, a guaranteed bid bond for 10% of the tender price and consent from a surety insurance company to provide a contract performance bond and labour and material payment bond each covering 100% of the tender amount.

All three (3) bids were checked and confirmed to have balanced representation among all the tender items and there were no arithmetic errors found. Both Part 'A' (Rush Drain) and Part 'B' (14<sup>th</sup> Concession Drain) are combined as one total tender price.

For comparative purposes against the low tender price as shown above, the engineer's estimate contained within the drainage report plus a \$30,000.00 contingency was \$604,500.00 and has been exceeded by approximately 7.5%. The overage, we would suggest is a direct result of the escalating prices primarily in raw materials involving the manufacturing and delivery processes. The higher material prices has mostly been attributed to the worldwide Covid-19 pandemic experienced over the past year. According to contractors we have spoken to, material costs for concrete, steel, plastics, and stone aggregates have jumped in price 10-30% over the course of this pandemic

10 Fifth Street South  
Chatham, Ontario  
Canada  
N7M 4V4  
Telephone  
519.354.7802  
Fax  
519.354.2050

Dillon Consulting  
Limited

and are still rising. For this project, the material costs represent a significant part of the tender price and therefore explains the exceedance.

In consideration of the above, we would recommend that the Contract be awarded to the lowest bidder, being Murray Mills Excavating & Trucking (Sarnia) Ltd. From two very recent municipal drain projects undertaken by the said contractor that have been completed under my management and supervision, they have fully demonstrated to perform quality work, and in my considered opinion are a reputable construction firm.

Yours respectfully,

A handwritten signature in black ink, appearing to read 'Tim Oliver', with a stylized flourish at the end.

Tim Oliver, P.Eng.  
Our File: 19-1023

cc. Ms. Lindsay Dean, Drainage Superintendent, Town of Essex  
Mr. Norman Nussio, Manager of Operations and Drainage, Town of Essex