



Report to Council

Department: Infrastructure Services
Division: Capital Works and Asset Management
Date: April 15, 2024
Prepared by: David McBeth, C.E.T.
Manager, Capital Works and Asset Management
Report Number: Capital Works and Asset Management-2024-05
Subject: Surface Treatment Tender for 2024
Number of Pages: 4

Recommendation(s)

That Capital Works and Asset Management Report-2024-05 entitled Surface Treatment Tender for 2024 by David McBeth, Manager, Capital Work & Asset Management dated April 15, 2024 be received; and

That Council award the Surface Treatment Tender for 2024 (RFT-ID-24-014) to Shepley Road Maintenance Ltd. in the amount of \$602,640.00, including non-refundable Harmonized Sales Tax.

Purpose

In accordance with the Town Procurement By-Law Number 2129, a Request for Tender (RFT) was issued for tar and chip road surface treatment for 2024. Since the cost estimate included in the **successful proponent's tender exceeds \$ 300,000.00**, Council's authorization is required to approve.

Background and Discussion

The Town of Essex sought Tenders from qualified contractors for the 2024 Surface Treatment including the supply and application of surface treatment pavement in accordance with Ontario Provincial Specification Standards 304 for various roads. As identified in the approved 2024 budget, this maintenance contract is used to conduct repairs on various town roads that will extend the useful life of the road.

A Request for Tender following the guidelines as set out in the Town's Procurement By-Law Number 2129 for the Surface Treatment was posted on the Town's website, and closed on March 20, 2024 at 3:00:00 PM.

Two (2) tenders were received, and reviewed for arithmetic errors, completeness, legibility, revisions and irregularities. There were no apparent unbalanced prices in the Schedule of Items and Prices. The results of the submitted tender prices, including the base bid and provisional items, are noted in Table below:

| Name of Tenderer | Total Tender Price | Total Tender Price including non-refundable Harmonized Sales Tax (1.76%) |
|----------------------------------|--------------------|--|
| Walker Construction Limited | \$ 327,600.00 | \$ 333,365.76 |
| Shepley Road Maintenance Limited | \$ 261,450.00 | \$ 266,051.52 |

Shepley Road Maintenance Limited was the lowest bidder, and they have previously completed projects for the Town with satisfactory services.

Additional provisional works within the tender are also being recommended to be awarded as part of this contract. These provisional works include:

- a single treatment lift on 12th Concession Road from County Road 15 to North Malden Road for \$ 24,071.33, including non-refundable Harmonized Sales Tax;

- the supply, placement, and compaction of 540 Tonnes of asphalt pavement to complete road shoulder repair works on the roads receiving a single course of surface treatment in the amount of \$137,376.00, including non-refundable Harmonized Sales Tax; and
- 15,000 square meters of spray patching for extending the useful life of existing roadways (from the Operations Budget) in the amount of \$152,640.00, including non-refundable Harmonized Sales Tax.

Administration is also recommending a contingency be added to this contract in the amount of \$22,501.15, including non-refundable Harmonized Sales Tax to cover any items that may come up during construction.

Financial Impact

As per the 2024 approved budget and displayed in the table below, \$660,000.00 has been allocated for the subject works. This Request for Tender result was \$602,640.00, including provisional items and the non-refundable Harmonized Sales Tax (HST).

| Project Number | Project Name | Approved Budget | Total Tender Price incl. non-refundable HST (1.76%) |
|------------------|--------------------------------------|---------------------|---|
| 1-3-31-310-55455 | Spray Patching (up to 15,000 sq. m.) | \$210,000.00 | \$ 152,640.00 |
| PW-24-0012 | Yearly Maintenance Overlay | \$ 450,000.00 | \$ 450,000.00 |
| Total | | \$660,000.00 | \$ 602,640.00 |

Based on the results of RFT-ID-24-014, all items of the tender came within budget.

The remaining portion of the Operations Budget will be used by Public Works for other items, including crack sealing and additional spray patching throughout the 2024.

Consultations

Kevin Girard, Director, Infrastructure Services

Jackson Tang, Assistant Manager, Business Services

Kate Giurissevich, CPA, CA, Director, Corporate Services/Treasurer

Norm Nussio, Manager, Operations & Drainage

Link to Strategic Priorities

- ☒ Embrace asset management best practices to build, maintain, and continuously improve our municipally owned infrastructure.
- ☐ **Leverage our Town's competitive advantages to promote jobs and economic investment.**
- ☐ Take care of our natural environment and strengthen the sense of belonging to everyone **who makes Essex "home"**.
- ☐ Deliver friendly customer service in an efficient, effective, and transparent manner while providing an exceptional working environment for our employees.
- ☐ Build corporate-level and community-level climate resilience through community engagement and partnership and corporate objectives.