



STAFF REPORT

Department/Function: Public Works

Chair: Mayor Ted Walker

Meeting Date: March 27, 2019

Report No: PW-2019-27

Report Title: 2019 Gravel Program and Contract

RECOMMENDATION:

That Staff Report No. PW-2019-27 regarding Gravel Rehabilitation Contract 2019-04 and Double Surface Treatment and Slurry Seal Contract 2019-06 be received;

And that the Council of the Township of Tay accepts the Gravel Rehabilitation tender as amended to reduce the gravel quantity and increase the price from \$12.00 - \$12.80 per tonne to \$13.00-\$13.80 per tonne, from Duivenvoorden Haulage Ltd. in the amount of \$72,204.00 plus HST;

And that staff be directed to prepare the by-law authorizing the execution of the contract between the Township of Tay and Duivenvoorden for the Gravel Rehabilitation Contract with the amended scope and unit price;

And that Ebenezer Side Road (Wood Road to Old Penetanguishene Road) be added to the 2019 Double Surface Treatment and Slurry Seal Program with funding from the surplus in that approval and the Gravel Program budget.

INTRODUCTION/BACKGROUND:

Further to report PW-2019-17 with regards to the Gravel Rehabilitation tender 2019-06; please note the correction that the low bid is Duivenvoorden Haulage Ltd. with a bid price of \$148,613.00 excluding HST, not Dufferin Aggregates (\$168,913.00) as noted in report PW-2019-17.

As per the motion approved at Committee of All Council on March 13th, staff was directed to remove the gravel road program items from the Gravel Rehabilitation tender 2019-06 and reach out to the low bidder to inquire whether this would affect the unit pricing received in their bid submission. Unfortunately due to the reduced scope of work the bidder cannot hold their pricing and has responded with a \$1.00 per tonne price increase. With this increase the bidder's rate is still lower than the other bidders. The proposed gravel tender amount will be \$72,204.00, with a total budget impact of \$78,474.79.

Due to the reduced scope of the gravel tender staff proposes that the surplus budget goes towards the rehabilitation of Ebenezer Side Road from Old Penetanguishene Road to Wood Road. This will include additional granulars, drainage and double surface treatment with slurry seal. This will affect the items in the corresponding tenders.

In discussions with Duncor with regard to the potential increase in scope they were happy to hold their unit rate of \$5.88 per square metre for double surface treatment and \$2.91 per square metre for the application of slurry seal.

FINANCIAL/BUDGET IMPACT:

The completion of the surface treatment rehabilitation project on Ebenezer is estimated at \$204,000 this can be accommodated with the \$164,407.00 allocation for the Gravel Program and the approximate \$90,000 surplus in the 2019 Surface Treatment and Slurry Seal Program.

CONCLUSION:

It is recommended that Council accepts the low bid from Duivenvoorden Haulage Ltd. for the Gravel Rehabilitation Contract with the reduced scope and increased rates and that Ebenezer Side Road be added to the surface treatment program. Staff will prepare the by-law to authorize execution of these contract documents.

Prepared by: Lyell Bergstrom, Manager of Roads and Fleet

Recommended by:

Date:

Peter Dance
Director of Public Works

Reviewed by:

Date:

Robert Lamb
Chief Administrative Officer