



Report to County Council

From: Peter Dutchak, Director of Engineering Services
Mike Hoogstra, Manager of Procurement & Risk

Date: April 9, 2024

Subject: Cold In-Place Asphalt Recycling (Tender No. 2024-T11) and Hot Mix Asphalt Paving (Tender No. 2024-T12) - Tender Awards

Recommendation(s):

THAT Roto-Mill Inc. be selected to complete Cold In-Place Asphalt Recycling on various roads, Tender No. 2024-T11 at a total price of \$2,628,071.93 inclusive of a \$100,000 contingency allowance and exclusive of H.S.T.; and,

THAT Brantco Construction be selected to complete Hot Mix Asphalt Paving on various roads, Tender No. 2024-T12 at a total price of \$4,567,904.30 inclusive of a \$250,000 contingency allowance and exclusive of H.S.T.; and,

THAT the Warden and Chief Administrative Officer be directed and authorized to sign the contracts.

Introduction:

As part of the 2024 Capital Budget, tenders were advertised and issued as per the County's Procurement Policy for Cold In-Place Asphalt Recycling and Hot Mix Asphalt Paving on various roads.

Background and Discussion:

Cold In-Place Asphalt Recycling (Tender No. 2024-T11)

As part of the recommended 2024 Capital Budget, seven (7) county roads will be rehabilitated utilizing a Cold In-Place Asphalt Recycling with Expanded Asphalt Material (CIREAM) technique in advance of hot mix asphalt paving.

The following roads are scheduled to be recycled this construction season:

1. Union Road (CR 20) from the Village of Fingal to Thomas Road - 7.1km
2. Fairview Road (CR22) from Dexter Line to Sparta Line - 3.22km
3. Dexter Line (CR24) from Yarmouth Centre Road to Quaker Road - 3.7km

4. John Wise Line (CR 45) from Springwater Road to Imperial Road - 4km
5. Putnam Road (CR 47) from Lyons Line to Avon Drive - 5.65km
6. Lyons Line (CR 48) from Putnam Road to Pigram Road - 2.85km
7. Chatham Street (CR 39) from Bridge Street to Lake Erie - 1.4km

A total of six (6) contractors downloaded tender documents for this project from the County's bidding system [bids&tenders](#). Three (3) contractors submitted electronic bids for this tender which closed on March 13, 2024. Bids were received as follows:

Company	Bid Price¹ (exclusive of HST)
Roto-Mill Inc.	\$2,628,071.93
Lavis Contracting Co. Limited	\$2,703,490.00
GIP Paving Inc.	\$3,047,030.00

¹ Inclusive of a \$100,000 contingency allowance.

Roto-Mill Inc. submitted the lowest compliant bid for the project at a total price of \$2,628,071.93 exclusive of HST.

Hot Mix Asphalt Paving (Tender No. 2024-T12)

As part of the approved 2024 Capital Budget, nine (9) roads, one (1) laneway and one (1) asphalt swale will receive hot mix asphalt resurfacing and new granular shoulders as part of a rehabilitation projects or as stand-alone resurfacing projects, as detailed on the appended map.

The following roads and laneway are scheduled to be paved with asphalt this construction season:

1. Union Road (CR 20) from the Village of Fingal to Thomas Road - 7.1km
2. Fairview Road (CR22) from Dexter Line to Sparta Line - 3.22km
3. Dexter Line (CR24) from Yarmouth Centre Road to Quaker Road - 3.7km
4. John Wise Line (CR 45) from Springwater Road to Imperial Road - 4km
5. Putnam Road (CR 47) from Lyons Line to Avon Drive - 5.65km
6. Lyons Line (CR 48) from Putnam Road to Pigram Road - 2.85km
7. Chatham Street (CR 39) from Bridge Street to Lake Erie - 1.4km
8. Avon Drive (CR 37) Avon west limits to Avon East Limits - 0.95km
9. Intersection of Currie Road and Pioneer Line
10. Elgin Manor (#39262 Fingal Line) Laneway to WWTP
11. Talbot Line (CR 3) Asphalt Swale (New Glasgow)

A total of seven (7) contractors downloaded tender documents for this project from the County's bidding system [bids&tenders](#). Four (4) contractors submitted electronic bids for this tender which closed on March 13, 2024. Bids were received as follows:

Company	Bid Price¹ (exclusive of HST)
Brantco Construction	\$4,567,904.30
GIP Paving Inc.	\$4,724,391.33
Dufferin Construction Company	\$4,822,572.00
J-AAR Excavating Limited	\$4,992,000.00

¹ Inclusive of a \$250,000 contingency allowance.

Brantco Construction submitted the lowest compliant bid for the project at a total price of \$4,567,904.30 exclusive of HST.

Financial Implications:

The Cold In-Place Asphalt Recycling with Expanded Asphalt Material (CIREAM) tender represents road rehabilitation activities for seven (7) different projects within the 2024 capital budget. Sufficient project funds exist to accommodate the lowest bid received for these projects and a projected budget surplus of \$419,674 is anticipated. The following summary of projected estimated costs is provided for review and will be confirmed throughout the project:

CIREAM Tender Value	\$ 2,628,071.93
<u>Net HST (1.76%)</u>	<u>\$ 46,254.07</u>
Total Projected Costs¹	\$ 2,674,326.00

Combined 2024 Capital Budget Allocations² **\$ 3,094,000.00**

Forecast Budget Surplus/(Deficit) **\$ 419,674.00**

¹ Inclusive of a \$100,000 contingency allowance.

² Cumulative estimated project costs of CIREAM activities within seven (7) identified projects.

The Hot Mix Asphalt Paving tender represents road rehabilitation activities within eleven (11) different projects within the 2024 capital budget. Sufficient project funds exist to accommodate the lowest bid received for this project and a projected surplus of \$367,100 is anticipated. The following summary of projected estimated costs is provided for review and will be confirmed throughout the project:

Hot Mix Asphalt Paving Tender Value	\$ 4,567,904.30
<u>Net HST (1.76%)</u>	<u>\$ 80,395.12</u>
Total Projected Costs¹	\$ 4,648,299.42

Combined 2024 Capital Budget Allocations² **\$ 5,015,400.00**

Forecast Budget Surplus/(Deficit) **\$ 367,100.00**

¹ Inclusive of a \$250,000 contingency allowance.

² Cumulative estimated project costs of paving activities within eleven (11) identified projects.

It should be noted that the projected surplus' may be reduced to fund the potential increase in the cost of asphalt cement material used in these contracts. A portion of these project values is tied to the "MTO Asphalt Cement Price Index", which is indirectly tied to other oil commodity prices, currently at multi-year highs.

Alignment with Strategic Priorities:

Serving Elgin	Growing Elgin	Investing in Elgin
<input checked="" type="checkbox"/> Ensuring alignment of current programs and services with community need. <input type="checkbox"/> Exploring different ways of addressing community need. <input type="checkbox"/> Engaging with our community and other stakeholders.	<input type="checkbox"/> Planning for and facilitating commercial, industrial, residential, and agricultural growth. <input type="checkbox"/> Fostering a healthy environment. <input type="checkbox"/> Enhancing quality of place.	<input checked="" type="checkbox"/> Ensuring we have the necessary tools, resources, and infrastructure to deliver programs and services now and in the future. <input checked="" type="checkbox"/> Delivering mandated programs and services efficiently and effectively.

Local Municipal Partner Impact:

Elgin's local municipal partner staff will be provided the details regarding the County's 2024 road projects.

Communication Requirements:

Project sign boards will be installed at each project location in advance of all roadworks.

A weekly capital project update will be circulated to Elgin's local municipal partners and elected officials to advise them of the following weeks anticipated works.

Conclusion:

Tenders for capital projects on County roads were issued and received for CIREAM and Hot Mix Asphalt Paving. This work forms part of eleven (11) separate road projects being completed in 2024. Work on these projects is expected to commence in May with completion anticipated to be achieved by the end of September.

As per the County of Elgin's Purchasing Policy, if change orders are required and the cost increases above the tender amount approved by Council by less than 10%, and the amount is within the overall budgeted project amount, work will proceed upon

authorization by the Director. However, if the cost increases above the tender amount approved by Council by more than 10%, the Director will prepare a further report to Council outlining the expenditures.

All of which is Respectfully Submitted

Approved for Submission

Peter Dutchak
Director of Engineering Services

Blaine Parkin
Chief Administrative Officer/Clerk