

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MONDAY, MAY 14, 2012
FROM:	JOHN BRAAM, P.ENG ACTING EXECUTIVE DIRECTOR, PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT	TENDER 12-66 MILL & OVERLAY OF VARIOUS STREET

RECOMMENDATION

That on the recommendation of the Acting Executive Director, Planning, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to Tender 12-66:

- a) that the bid submitted by Dufferin Construction Company, 2200 Jetstream Road, London, Ontario N5V 3P5 **BE ACCEPTED**, at their tender price of \$657,975.00, including contingency, HST extra, it being noted the Dufferin Construction Company submitted the low bid and meets the City's terms, conditions and specifications, T12-66.
- b) that the funding for this purchase **BE APPROVED** as set out in the Source of Financing Report attached hereto as Appendix "A";
- c) that Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this contract;
- d) approval hereby given **BE CONDITIONAL** upon the Corporation entering into a formal contract or having a purchase order relating to the subject matter of this approval.

BACKGROUND

Purchasing Process

Four (4) bids were received as a result of this tender call April 18, 2012 as summarized in Appendix "B" attached.

Dufferin Construction Company was the low bid and meets all the terms, conditions and specifications of T12-66.

Purpose

The purpose of the Mill and Overlay program is to repair or patch road sections primarily on main commuter routes. The program is part of city wide maintenance activities where no other sub surface work or concrete work is planned.

Financial Impact

Funding for this project has been provided in the following Accounts:

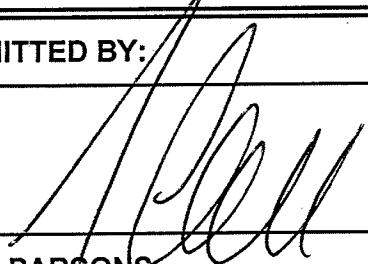
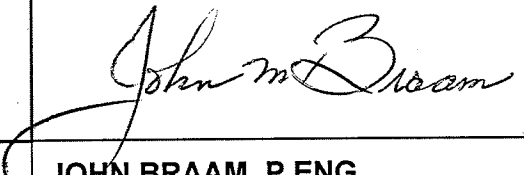

510101.350000	\$ 113,727.23
TS 3014	\$ 57,522.12
TS 3310-12	\$ 398,230.08
TS 1446-11	\$ 88,495.57

There are no anticipated additional operating costs associated with this project.

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Acknowledgements

This report was prepared with the assistance of Terry Masse, Manager of Operations, Transportation and Terri Sue Wyatt, Procurement Officer.

SUBMITTED BY:	RECOMMENDED BY:
	
JOHN PARSONS DIVISION MANAGER, TRANSPORTATION AND ROADSIDE OPERATIONS	JOHN BRAAM, P.ENG ACTING EXECUTIVE DIRECTOR, PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
CONCURRED BY:	
	
MIKE TURNER DEPUTY CITY TREASURER	

Appendix "B"

Summary of Bids Received
TENDER 12-66 Mill & Overlay of Various Streets

	Dufferin Const'n Co.	Coco Paving Inc.	Del-Ko Paving & Const'n Co. Ltd.	McCann Paving Inc.
Sub-Total	\$ 657,975.00	\$ 726,463.60	\$ 815,635.00	\$ 829,331.80
HST	\$ 85,536.75	\$ 94,440.27	\$ 106,032.55	\$ 107,813.13
TOTAL	\$ 743,511.75	\$ 820,903.87	\$ 921,667.55	\$ 937,144.93
Payment Terms	N/30	N/30	2% 30 Days	5% 15/Days, N/30
Bid Deposit	Yes	Yes	Yes	Yes
Letter of Agreement to Bond	Yes	Yes	Yes	Yes

Chair and Members
Civic Works Committee

May 4, 2012
(Award Contract)

RE: Mill & Overlay of Various Streets
Capital Project TS3014 - 2010 Road Rehab - Local & Rural
Capital Project TS1446-11 - 2011 Road Rehab - Main
Capital Project TS3310-12 - 2012 Road Surface Treatment
Operating Budget Account - 510101.350000
Dufferin Construction Company - \$657,975.00

FINANCE DEPARTMENT REPORT ON THE SOURCES OF FINANCING:

Finance Department confirms that the cost of this project can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Acting Executive Director, Planning, Environmental & Engineering Services & City Engineer, the detailed source of financing for this project is:

	Approved Budget	Committed to Date	This Submission	Balance for Future Work
ESTIMATED EXPENDITURES				
TS3014-2010 Road Rehab-Local & Rural				
Engineering	\$43,481	\$43,481		\$0
Construction	5,711,239	5,554,285	58,535	98,419
Construction (PDC Portion)	36,000	36,000		0
Construction (Local Improvement)	11,722	11,722		0
City Related Expenses	11,547	11,547		0
	5,813,989	5,657,035	58,535	98,419
TS1446-11 2011 Road Rehab.-Main				
Engineering	390,207	390,207		0
Construction	9,909,793	8,488,264	90,053	1,331,476
	10,300,000	8,878,471	90,053	1,331,476
TS3310-12 2012 Road Surface Treatment				
Construction	700,000	0	405,239	294,761
Operating - 510101.350000				
Transportation Operations-Summer Mtce.	115,729	0	115,729	0
NET ESTIMATED EXPENDITURES	\$16,929,718	\$14,535,506	\$669,556 1)	\$1,724,656

SOURCE OF FINANCING:

TS3014-2010 Road Rehab-Local & Rural				
Capital Levy	\$821,814	\$821,814		\$0
Debenture By-law No. W.-5243-109	4,944,453	4,787,499	58,535	98,419
Cash Recovery from Property Owners (PDC Portion)	36,000	36,000		0
Cash Recovery from Property Owners (Local Improvement)	11,722	11,722		0
	5,813,989	5,657,035	58,535	98,419
TS1446-11 2011 Road Rehab.-Main				
Capital Levy	490,000	490,000		0
Debenture By-Law No. W.-5293-145	2,809,660	1,388,131	90,053	1,331,476
Federal Gas Tax	7,000,340	7,000,340		0
	10,300,000	8,878,471	90,053	1,331,476
TS3310-12 2012 Road Surface Treatment				
Capital Levy	700,000	0	405,239	294,761
Operating - 510101.350000				
Summer Maintenance	115,729	0	115,729	0
TOTAL FINANCING	\$16,929,718	\$14,535,506	\$669,556	\$1,724,656

1) **Financial Note:**

	TS3014	TS1446-11	TS3310-12	510101.350000
Contract Price	\$57,522	\$88,496	\$398,230	\$113,727
Add: HST @13%	7,478	11,504	51,770	14,785
Total Contract Price Including Taxes	65,000	100,000	450,000	128,512
Less: HST Rebate	6,465	9,947	44,761	12,783
Net Contract Price	\$58,535	\$90,053	\$405,239	\$115,729
			Total	
Contract Price			\$657,975	
Add: HST @13%			85,537	
Total Contract Price Including Taxes			743,512	
Less: HST Rebate			73,956	
Net Contract Price			\$669,556	

2) There are no anticipated additional operating costs associated with this work upon project completion.

EH



Alan Dunbar
Manager of Financial Planning & Policy