



REPORT TO: Council
MEETING DATE: July 13, 2009
REPORT NO.: EPW.09.060
SUBJECT: **Single and Double Surface Treatment – Award of Contract**
PREPARED BY: **Jim McCannell, Manager of Roads & Drainage**

A. Recommendations

THAT Council award the purchase of Single and Double Surface Treatment for repairs to Duncor Enterprises Inc. in the amount of \$257,322 plus a \$5,000 contingency for a cost of \$262,322, excluding GST and,

THAT Council authorize the purchase of approximately 2800 tonnes of crushed stone from the County of Grey for an estimated cost of \$34,506, excluding GST, and

THAT the Mayor and the Clerk be authorized to execute the Contract Documents with Duncor Enterprises Inc., as outlined in Report EPW.09.060 entitled "Single and Double Surface Treatment - Award of Contract".

B. Background

In February 2009, Grey County invited member municipalities to participate in various works tenders. Deadlines were given for delivery of specifications for the various tenders. The Town participated on some of the invited tenders including Catch Basin Cleaning and Single Surface and Double Surface Treatment tender.

The scheduling of the surface treatment work for the County's tender indicated that all work is to be completed by August 21, 2009. Surface Treatment work is generally done when the daytime temperatures are warm, with the contractor completing all work in this area at the same time to avoid extra costs related to moving of equipment.

The County is recommending award of the tender to Duncor Enterprises Inc., as they were the lowest bid.

The County did proceed with their tender in a public forum. The tender was advertised publicly and awarded in the same manner, with bids being received by 2 companies. The administration of the County's tendering process for the Single Surface and Double Surface Treatment Tender complied with the Town's Purchasing By-law.

Town Staff have contacted Duncor Enterprises Inc. to confirm the tendered prices for the works required by the Town. Duncor Enterprises Inc. has agreed to extend the tendered prices received by the County to the Town, for our works. The stone chips for this project will be purchased from the Grey County quarry located on County Road #40. The stone is stockpiled on site and is available.

The costs are expected to be \$296,828 consisting of \$ 257,322 to Duncor Enterprises Inc. for the hauling and applying of materials and \$34,506 to Grey County for the purchase of the crushed stone plus a contingency of \$5,000.

The road segments scheduled for repair are shown in Table #1

TABLE 1

No.	Description	KM	Type of Treatment
1.	4 th Line from Civic Address 596197 north	0.5	Double surface Treatment Haul & Apply 16mm crushed aggregate (Class 2)
2.	10 th Line from Civic Address 415898 to Civic Address 415853	0.8	Double Surface Treatment Haul & Apply 16mm crushed aggregate (Class 2)
3.	Meaford/Blue Mountains Townline from 30 SDR to 37 SDR	3.7	Single Surface Treatment Haul & Apply 3/8 inch high float material
4.	33 rd SDR from the Townline to the 10 th line	2.7	Single Surface Treatment Haul & Apply 3/8 inch high float material
5.	30 st SDR from the Townline to the 10 th Line	2.7	Single Surface Treatment Haul & Apply 3/8 inch high float material
6.	21 SDR from the 10 th Line to Grey Road 2	2.7	Single Surface Treatment Haul & Apply 3/8 inch high float material
7.	21 st SDR from 7 th Line to the 6 th Line	1.4	Single Surface Treatment Haul & Apply 3/8 inch high float material
8.	Cameron Street from Peel Street to the 10 th Line	1.6	Single Surface Treatment Haul & Apply 3/8 inch high float material
9.	Redwing 10 th Line from 12 SDR north to Civic Address 415853 10 th Line from the Civic Address 415898 to Grey Road 19 12 SDR from the 10 th Line west to structure #5	1.0	Single Surface Treatment Haul & Apply 3/8 inch high float material
10.	4 th Line from 18 th SDR to County Road 119. (Banks).	2.0	Single Surface Treatment Haul & Apply 3/8 inch high float material
TOTAL KMS		19.1 KM	

C. The Blue Mountains' Strategic Plan

These works address the Town's Strategic Plan Goal #2 "Addressing the Town's Municipal infrastructure needs".

D. Environmental Impacts

The single and double surface resurfacing process is a cold process, the stone is not heated or dried. The energy required for this process is less than that of hot mix paving. The energy requirements and emission levels are less than other resurfacing methods. In addition the materials used in these surface repairs can be recycled in the future.

E. Budget Impact

The approved 2009 Roads and Drainage Capital Budget includes \$135,000.00 for Double and Single Surface Treatment. The *Investing in Ontario* grant that the Town has received will provide \$150,000 for capital improvements. The combined project budget is \$285,000.

The surface treatment costs from Duncor Enterprises are expected to be \$257,322 for Single Surface Treatment and Double Surface Treatment. The gravel prices received from Grey County are expected to be \$34,506. It is also recommended that a contingency of \$5,000 be included to increase the approved expenditure value from \$291,828 to \$296,828 to make allowance for quantity overruns and other spot improvements not already specifically identified. See Table 2 for a breakdown of unit costs. The prices submitted by Duncor Enterprises Inc. are considered an installation and are not subject to P.S.T. The purchase of stone from Grey County is subject to P.S.T.

These works are to be funded from the \$135,000 in the 2009 Roads Operating Budget account 1-308-3001-64056 and \$150,000 from the *Investing In Ontario* grant for a total of \$285,000. Staff recommends the additional \$11,828 required to fund this project be taken from the Roads Spot Improvement account 1-308-3001-64050. The Roads Spot Improvement account has \$50,000 for unexpected works and will have a revised balance of \$50,000 – \$11,828 = \$38,172. These recommendations have been reviewed by the Finance Department.

Table 2

<u>Item No.</u>	<u>OPSS No.</u>	<u>Description</u>	<u>Estimated Quantity</u>	<u>Unit</u>	<u>Bid per Unit</u>	<u>Total Bid Price</u>
1.	304	Supply, Haul & Apply Emulsion HF 150	31,000	kg	\$0.89	\$ 27,590.00
2.	304	Haul & Apply 5/8"/ 16 mm class 2 crushed gravel,	300	T	\$13.39	\$ 4,017.00

		Highfloat				
3.	304	Supply, Haul & Apply Emulsion HF 150	216,000	kg	\$0.89	\$192,240.00
4.	304	Haul & Apply 3/8" / 9.5 mm class 1 stone chips	2,500	T	\$13.39	\$ 33,475.00
Subtotal						\$257,322.00
G.S.T.						\$ 12,866.10
Total Price of Items 1 to 4						\$270,188.10
Gravel purchase from Grey County						
5.		Supply of 3/8" / 9.5 mm Class 1, stone chips from Grey County	2,500	T	\$11.70	\$ 29,250.00
6.		Supply of 5/8" / 16 mm Class 2, crushed stone, highfloat, from Grey County	300	T	\$9.00	\$ 2,700.00
Subtotal						\$ 31,950.00
P.S.T.						\$ 2,556.00
Subtotal						\$ 34,506.00
G.S.T.						\$ 1,597.50
Total Price of Items 5 & 6						\$ 36,103.50
Subtotal Price of Items 5 & 6 (Excluding GST)						\$ 34,506.00
Value of Duncor Enterprises Inc. works (from page 3)						\$ 257,322.00
Contingency						\$ 5,000.00
Total Project Costs(items 1 to 6)						\$ 296,828.00

F. Attached

None.

Respectfully submitted,

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Reg Russwurm
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