

The Corporation of the City of Kawartha Lakes
Council Report

Report Number PUR2019-012

Date: April 23, 2019
Time: 2:00 p.m.
Place: Council Chambers

Ward Community Identifier: Various Wards

Title: 2019-27-CQ – Rural Resurfacing – Road Resurfacing; and
2019-13-CQ Urban and Arterial Road Resurfacing

Author/Title: Linda Lee, Buyer
Mike Farquhar, Supervisor, Technical Services
Corby Purdy, Supervisor/Infrastructure, Design, Construction

Recommendation(s):

That Report PUR2019-012, for two requests for quotations for resurfacing being:

2019-27-CQ Rural – Road Resurfacing and
2019-13-CQ Urban and Arterial Road Resurfacing,

That Royel Paving, A division of CRH Canada Group Inc. be selected for the award of 2019-27-CQ Rural Resurfacing – Road Resurfacing for the quotation price of \$2,086,144 plus HST;

That Brennan Paving & Construction Ltd. be selected for the award of 2019-13-CQ Urban and Arterial Road Resurfacing for the quoted price of \$4,674,039.00 plus HST;

That Council authorize the transfer of the surplus amount of \$504,615 back to the Capital projects reserve from program 9831905 (RD1905 Rural Resurfacing);

That Council authorizes the increase of \$504,615 to the Capital budget program 9831904 (RD1904 Urban and Arterial Resurfacing) to be funded from the Capital reserve.

That subject to receipt of the required documents, the Mayor and Clerk be authorized to execute the agreements to award these quotations; and

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

That the Procurement Division be authorized to issue Purchase Orders as applicable.

Be received.

Background:

Within the 2019 Capital budget, Council approved programs 983190400 (RD1904) Urban and Arterial resurfacing and 983190500 (RD1905) Rural Resurfacing. Both programs were released and advertised according to the Purchasing Policy.

As part of the 2019 budgeting process the decision unit for Bayview Estates Road was added to 983190500 (RD1905) based on the following resolution

CR2019-053

Moved By Deputy Mayor Elmslie

Seconded By Councillor Dunn

That the Decision Unit relating to Council Resolution CR2018-523 regarding the Resurfacing of Bayview Estate Road (Crimson Lane to North End) be added to the budget in the amount of \$115,500 to be funded from the Capital Reserve.

This item was included in the tender 2019-27-CQ Rural Resurfacing as a provisional item and is included in the total project cost. Also as part of tender 2019-27-CQ items Q and R for Salem Road and Farmstead Road were included. These items are funded out of the 2019 Capital approved program 983190700 (RD1907) Life Cycle Extension. These items were included within tender 2019-27-CQ Rural Resurfacing for tendering efficiencies due to the nature of the scope of work.

Additionally Council also passed a decision unit under RD1904

CR2019-052

Moved By Councillor Ashmore

Seconded By Councillor O'Reilly

That any contingency funds remaining from Program RD1904, JDE Identifier 983190403, CKL Rd. 17 (Colony Rd to CKL Rd. 10), be applied to the resurfacing of McGregor Drive (Walmac Shores Rd. to North End).

Program RD1904 currently requires additional funds from the capital reserve; therefore this resolution cannot be met and McGregor Drive will not be completed at this time.

The intent of this report is to award tenders 2019-13-CQ and 2019-27-CQ. To achieve this, program 983190500 (RD1905) Rural Resurfacing must be decreased by \$504,615 and returned to the capital reserve and then 983190400 (RD1904) Urban and Arterial Resurfacing must be increased by \$504,615 from the capital reserve to account for the shortfall after tendering. The result would be a net neutral on the capital reserve.

Request for Quotation (RFQ) 2019-27-CQ – Rural Resurfacing – Road Resurfacing was released and advertised in accordance with the Purchasing Policy.

The RFQ closed on March 14, 2019 and was opened in public by Mayor Andy Letham and Linda Lee, Buyer of Financial Services.

Quotations were received from the following:

Company Name	Quotation Amount	Provisional	Total
Royel Paving	\$2,036,938.00	\$49,205.00	\$2,086,143.50
Miller Paving	\$2,496,750.90	\$78,314.00	\$2,575,064.90

Request for Quotation (RFQ) 2019-13-CQ – Urban and Arterial Road Resurfacing was released and advertised in accordance with the Purchasing Policy.

The RFQ closed on February 28, 2019 and was opened in public by Councilor Pat Dunn and Marielle Van Engelen, Buyer of Financial Services.

Quotations were received from the following:

Company Name	Quotation Amount
Brennan Paving	\$4,674,039.00
Royel Paving	\$5,178,620.00
Coco Paving	\$5,691,561.53

Rationale:

Staff recommends the award to the lowest, compliant quotations received as follows:

Royel Paving, A division of CRH Canada Group Inc. be selected for the award of RFQ 2019-27-CQ Rural Resurfacing – Road Resurfacing for the quoted price of \$2,086,144.00 plus HST; and

Brennan Paving & Construction Ltd. be selected for the award of RFQ 2019-13-CQ Urban and Arterial Road Resurfacing for the quoted price of \$4,674,039.00 plus HST

Other Alternatives Considered:

No other alternative is being considered for any of the quotations as the competitive procurement processes were followed and the lowest compliant quotation is being recommended.

Financial/Operation Impacts:

Funds for 2019-27-CQ were approved in the 2019 Capital Budget as indicated in the table below.

Funds for 2019-13-CQ were approved in the 2019 Capital Budget as indicated in the table below.

Capital Project Number	Project Budget	Other Committed Funds	Capital Project balance	Purchase Amount (excl. HST)	Contingency 10%	HST Payable	Total Amount	Project Balance
950190500	\$3,674,550	\$1,068,508	\$2,606,042	\$1,823,661	\$182,366	\$35,307	\$2,041,334	\$564,707
983190700	\$1,219,800	\$185,253	\$1,034,547	\$262,483	\$26,248	\$5,081	\$293,813	\$740,733
2019-27-CQ Total	\$4,894,350	\$1,253,761	\$3,640,589	\$2,086,144	\$208,614	\$40,388	\$2,335,147	\$1,305,440
					Contingency 5%			
983190400	\$4,610,133	\$154,923	\$4,455,210	\$4,674,039	\$200,000	\$85,786	\$4,959,825	<\$504,615>
2019-13-CQ Total	\$4,610,133	\$154,923	\$4,455,210	\$4,674,039	\$200,000	\$85,786	\$4,959,825	<\$504,615>
Grand Total	\$9,504,483	\$1,408,684	\$8,095,799	\$6,760,183	\$408,614	\$126,174	\$7,294,972	\$800,825

Other committed funds have been allocated for internal labour charges and for other road work and supplies needed within the projects.

Any remaining surplus or deficit will be dealt with through a Capital Close report presented to Council by the Treasury Department in accordance with the capital close policy.

RFQ 2019-27-CQ for 950190500 (RD1905) came in under budget, all roads according to the RFQ, and as per the Council approved 2019 capital budget, will be resurfaced within the quoted price.

RFQ 2019-13-CQ for 983190400 (RD1904) came in over budget; the remaining funds from RD1905 are available to be used to ensure that all roads within the RFQ 2019-13-CQ can be completed.

There is remaining roads to be done in 983190700 (RD1907) -Life Cycle Extension Program and any surplus will be transferred to the Capital Reserve upon completion. Request for Quotations will be advertised later this year.

Relationship of Recommendation(s) to the 2016-2019 Strategic Plan:

This project relates to Goal 1 by maintaining the City's existing infrastructure.

- Goal 1 – A Vibrant and Growing Economy

Consultations:

Junior Buyer

Department Head E-Mail:

Department Head:

Department File: 2019-13-CQ; 2019-27-CQ