

THE CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

STAFF REPORT

DATE: June 20, 2022
TO: Committee of the Whole
FROM: Cory Smith, Director of Public Works
SUBJECT: Award of 2023 Surface Treatment Contract

RECOMMENDATION:

THAT the Committee of the Whole recommends that Council Award the Contract for Tender No. 22-03, Option 2, Surface Treatment Program to Thomas Cavanagh Construction Limited, in the amount of \$2,048,330.59 Plus HST.

AND THAT the Committee of the Whole direct staff to use surplus funds to complete large asphalt patches on hardsurfaced roads throughout Mississippi Mills.

BACKGROUND:

The 2023 Capital Works Budget included funds to complete the following roadwork:

- Reconstruction and surface treatment of Concession 10 North Pakenham, Concession 12 Ramsay, and Blakeney Road,
- Pulverizing and placement of gravel on Concession 9 North Pakenham and Portions of Bellamy Road.
- Panmure Road was also tendered with 2 options, the first option was to reconstruct with Surface Treatment and the second was to reconstruct with Asphalt.

DISCUSSION:

Tender No. 23-13 for the 2023 Surface Treatment Program was released by the Municipality and subsequently closed on June 9, 2021. The advertisements were posted in the Canadian Gazette, on the Municipal Website and with MERX. A total of One (1) tender submission was received at the time of closing. The results were as follows:

COMPANY	Option 1 Total Price (HST not Included)	Option 2 Total Price (HST not Included)
Thomas Cavanagh Construction	\$1,944,605,.39	\$2,048,330.59

The tender submission was reviewed for accuracy and completeness. Thomas Cavanagh Construction Limited has successfully completed similar works for Mississippi Mills in the past and has a good working relationship with staff. The price received in the tender for both Option 1 which included all works, and included Panmure Road to be surface treated, and for Option 2 which included all works, and Panmure Road to be paved with asphalt were within the budgeted amount for the 2023 Surface Treatment Program.

Panmure Road has elevated traffic counts compared to many of the surrounding roads and is often used by commuters to Ottawa. The additional costs of \$105,000.00 will result in additional structural benefits to the roadway and extended lifecycle on this roadway. Panmure road faces significant challenges and would benefit from the additional structure of the asphalt pavement.

OPTIONS:

1. Award the Contract to Thomas Cavanagh Construction for Option 2 in the Amount of \$2,084,381.21 including non recoverable HST and allow for an additional 10% contingency for the project to be funded from the originally budgeted amount **with any funds remaining at the end of the project to be used for hard surface patching.**
2. Award the contract to Thomas Cavanagh Construction for Option 2 in the Amount of \$2,084,381.21 including non recoverable HST and allow for an additional 10% contingency for the project to be funded from the originally budgeted amount **and declare any funds remaining at the end of the project as surplus and available to be contributed to reserves at year end.**
3. Award the Contract to Thomas Cavanagh Construction for Option 1 in the Amount of \$1,978,830.4 including non recoverable HST and allow for an additional 10% contingency for the project to be funded from the originally budgeted amount **with any funds remaining at the end of the project to be used for hard surface patching.**
4. Award the Contract to Thomas Cavanagh Construction for Option 1 in the Amount of \$1,978,830.4 including non recoverable HST and allow for an additional 10% contingency for the project to be funded from the originally budgeted amount amount **and declare any funds remaining at the end of the project as surplus and available to be contributed to reserves at year end.**
5. Not award the contract.

FINANCIAL IMPLICATIONS:

The prices for the works were expected to exceed the amount budgeted due to inflation and fuel prices. Alternative funding sources have been identified to cover the costs.

	Option 1	Option 2
Tender Price Including Non-Recoverable HST (1.76%)	\$1,978,830.44	\$2,084,381.21
Contingency 10%	\$197,883.04	\$208,438.12
Total	\$2,176,713.48	\$2,292,819.33
Budgeted Amount	\$2,352,000.00	\$2,352,000.00
Amount Remaining	\$175,286.52	\$59,180.67

SUMMARY:

The costs of the works are well within the budgeted amount. Panmure road would benefit from upgrading to asphalt. Additional funds remaining should either option 1 or option 2 be selected can be used for large asphalt patching on various hard surfaced roads in Mississippi Mills.

Respectfully submitted by,

Reviewed by:

Cory Smith,
A/Director of Public Works

Ken Kelly,
CAO

ATTACHMENTS:

1. None