

# THE CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

## STAFF REPORT

**DATE:** September 14, 2022

**TO:** Committee of the Whole

**FROM:** Cory Smith

**SUBJECT:** Award of Contract – PW-22-17, 2022 Asphalt Paving,  
Concession 4 Pakenham.

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### **RECOMMENDATIONS:**

**THAT the Committee of the Whole recommends that Council award the contract for Tender No. PW-22-17, 2022 Surface Treatment Program to Thomas Cavanagh Construction Ltd, in the amount of \$179,797.00 plus HST.**

### **BACKGROUND**

The 2022 Capital Works Budget included funds to complete asphalt paved road renewals, reconstructing Concession 4 Pakenham for a length of approximately 870 m between Campbell Side Road and Bayview Road. These works were issued for tender under Tender No. PW-22-17.

### **DISCUSSION:**

Tender No. PW-22-17 for the 2022 Asphalt Paving, Concession 4, Pakenham, was released by the Municipality on August 18, 2022 and subsequently closed on September 14, 2022. The advertisements were posted in the Carleton Place – Almonte Canadian Gazette, and on MERX.com. A total of two (2) tender submissions were received at the time of closing. Results were as follows:

<b>COMPANY</b>	<b>Total Price (HST Included)</b>
Thomas Cavanagh Construction Ltd.	\$203,170.61
Aecon Construction Ontario East Limited	\$218,090.00

The tender submissions were reviewed for accuracy and completeness. Staff is presently recommending that Thomas Cavanagh Construction Limited be awarded the contract. 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 exceeded the amount

carried in the Budget for the Works. There are many factors related to the additional costs, the two primary factors are unforeseen increase in petroleum prices that have driven up the costs of fuel and bituminous products that are a main component in asphalt and an industry strike delayed construction works in the region.

**OPTIONS:**

1. Award the contract to Thomas Cavanagh.
2. Defer the contract until next year.

**FINANCIAL IMPLICATIONS**

The prices for tendered services exceed the budget reserved for this item under Transportation Capital Budget. However, additional funds are available within the capital budget for Pavement Renewals. The current budget break-out for this project remains as follows:

<b>ACTIVITY</b>	<b>Amount (Non-recoverable Taxes Included)</b>
Thomas Cavanagh Construction Limited	\$182,961.43
Contingency 5.0 %	\$9,150.00
Total (Non recoverable HST incl.)	\$192,109.50
Mississippi Mills Available Budget	\$192,109.50
(\$169,400.00 in pavement renewals plus additional \$22,709.50 to come from pavement Renewal allocated to various projects)	

Please note that it is recommended that we do not declare any surplus funds until the project has sufficiently advanced to substantial completion.

Respectfully Submitted

Reviewed by

Luke Harrington  
Public Works Technologist

Ken Kelly,  
CAO

Reviewed By

Cory Smith  
Acting Director of Roads and Public Works