

MANAGEMENT REPORT

Date: June 24, 2024
To: Mayor and Council
From: Nathan Bottema, Project Engineer
Report Number: COU24-064
Attachments: T-2024-11 Bid Summary

Title: T-2024-11 Asphalt Resurfacing Tender Award

Objective: To obtain Council approval to accept the lowest bid from GIP Paving Inc. of \$1,716,649.69 including HST, for the Asphalt Resurfacing Contract T-2024-11.

Background: The Asphalt Resurfacing project scope of work includes partial and full depth asphalt replacement of Devon Street from 75 metres east of Pleasant Drive to Avonwood Drive South (1.4 km), Greenwood Drive (1.2 km), and West Gore Street from John Street to the Water Pollution Control Plant entrance (0.5 km). The road pavement quality was assessed in 2022 as being in poor to very poor condition. The storm sewers, sanitary sewers and watermains are in acceptable condition.

The Asphalt Resurfacing tender was posted on the City website Bid Opportunity page and in the Bids and Tender public forum on May 22, 2024. The tender closed on June 7, 2024.

Analysis: There were eighteen (18) contractors that picked up plans for the project, with five (5) submitting official bids. The lowest bid of \$1,716,649.69 including HST was submitted by GIP Paving Inc. The submission was reviewed, and their qualifications, experience and references were checked with positive results. The Contractor has successfully completed projects of similar scope in the City. The GIP Paving Inc. bid of \$1,716,649.69 is \$1,545,896.22 after the HST rebate.

The 2024 approved capital budget contains a total of \$2,250,000.00 for asphalt resurfacing, to be funded from gas tax reserve funds and levy-based capital reserve funds. The asphalt resurfacing budget provides funds for the resurfacing project, annual crack sealing, and the annual geotechnical testing program for future projects.

The estimated total project costs are:

Construction Contract (after HST rebate)	\$	\$1,545,896.22
Geotechnical fees (estimated)	\$	20,000.00
Total	\$	1,565,896.22

The 2024 capital budget contained a total of \$2,250,000.00 for this project to be funded as follows:

Federal Gas Tax	\$	2,025,000	R-R11-RFED
Wastewater Reserve	\$	75,000	R-R11-WWTR
Water Reserve	\$	75,000	R-R11-WATR
Storm Reserve	\$	75,000	R-R11-STRM
Total	\$	2,250,000	

An estimated \$100,000 for geotechnical investigations will also be required in 2024 (included in the above approved budget).

As the expenditures are below the total budget and are eligible expenditures under the CCBF (former federal gas tax) funding, the project will be funded entirely with these federal funds. The water, sanitary and storm reserve funds will not be required as planned in the 2024 budget and will remain in the reserve funds for future capital expenditures. Unused gas tax funding will also remain in the reserve funds for future capital expenditures.

Financial Implications:

Financial impact to current year operating budget:

There are no anticipated impacts to the current year operating budget.

Financial impact on future year operating budget:

There would be reduced annual operating and maintenance costs in future years for these segments. The new road surface would not need as much maintenance (pothole repair, crack sealing, patching) and would be in good condition for many years.

Link to asset management plan and strategy:

The road segments are part of the asset management plan, and the asphalt condition will be updated to reflect the new investment. Future asphalt replacements will be planned for based on estimated useful life. The adjustment to the asset management plan will impact future capital planning forecasts and funding strategies will be updated accordingly.

Alignment with Strategic Priorities:

Mobility, Accessibility and Design Excellence

Improving ways to get around, to and from Stratford by public transit, active transportation and private vehicle.

Developing our Resources

Optimizing Stratford's physical assets and digital resources. Planning a sustainable future for Stratford's resources and environment.

Alignment with One Planet Principles:

Equity and Local Economy

Creating safe, equitable places to live and work which support local prosperity and international fair trade.

Staff Recommendation: THAT the Tender (T-2024-11) for the Asphalt Resurfacing 2024 Contract be awarded to GIP Paving Inc. at a total tender price of \$1,716,649.69, including HST;

AND THAT the Mayor and Clerk, or their respective delegates, be authorized to sign the T-2024-11 Contract Agreement.

Prepared by:	Nathan Bottema, Project Engineer
Recommended by:	Taylor Crinklaw, Director of Infrastructure Services Joan Thomson, Chief Administrative Officer