

COUNCIL REPORT

M&C No.	2019-152
Report Date	June 11, 2019
Meeting Date	June 17, 2019
Service Area	Transportation and Environment Services

His Worship Mayor Don Darling and Members of Common Council

SUBJECT: Contract No. 2019-16 Asphalt Resurfacing 2019 –Program Adjustment

OPEN OR CLOSED SESSION

This matter is to be discussed in open session of Common Council.

AUTHORIZATION

Primary Author	Commissioner/Dept. Head	City Manager
<i>Rod Mahaney</i>	<i>Michael Hugenholtz/Brian Keenan</i>	<i>John Collin</i>

RECOMMENDATION

It is recommended that Common Council approve an increase to the Contract award amount to Galbraith Construction Ltd. for Contract 2019-16: Asphalt Resurfacing 2019 from \$5,886,959.54 to \$7,034,967.17

EXECUTIVE SUMMARY

The purpose of this report is to recommend that Common Council approve an increase to the Contract award amount for Contract 2019-16: Asphalt Resurfacing 2019.

PREVIOUS RESOLUTION

November 5, 2018; 2019 Water & Sewerage Utility Fund Operating Program Approved.

July 30, 2018; 2019 General Fund Capital Program Approved.

December 18, 2018; 2019 General Fund Operating Program Approved.

STRATEGIC ALIGNMENT

This report aligns with Council's Priority for Valued Service Delivery, specifically as it relates to investing in sustainable City services and municipal infrastructure.

REPORT

BACKGROUND

On April 08, 2019 (M&C 2019-78), Common Council awarded Contract 2019-16: Asphalt Resurfacing 2019 to Galbraith Construction Ltd. at the tendered price of \$5,886,959.54. In the Financial Implications section of the council report it was identified that there was a \$1,191,000 budget surplus following award of Contract 2019-16.

Further, M&C 2019-78 contained the following statement:

“ It is the intention of City staff to make full use of this budget surplus by adding additional streets to the 2019 asphalt resurfacing contract with the payment to be made at the approved contract unit prices. Staff will report back to Council with a proposed list of additional streets for asphalt resurfacing and for approval to increase the amount of contract 2019-16 accordingly.”

ANALYSIS

Staff is recommending the following streets to be added to Contract 2019-16 Asphalt Resurfacing 2019:

- Lancaster Avenue – Bowlarama to Dufferin Row
- Manawagonish Road – Fairville Boulevard to Manchester Avenue
- McAllister Drive – Rothesay Avenue to Westmorland Road

Asphalt resurfacing of the above additional streets will result in a new contract value of \$7,034,967.17. The additional work will be paid for at the established contract unit prices and sees an increase of 13.50 lane kilometres being added to the original contract bringing the total to 59.11 lane kilometres of asphalt resurfacing for 2019.

Staff is of the opinion that Galbraith Construction Ltd. has the necessary resources and expertise to perform this additional work and the unit prices in this contract are competitive. The asphalt production and placement processes will be closely monitored to ensure conformance with project specifications. Work is presently underway and is expected to continue until October 15, 2019.

FINANCIAL IMPLICATIONS

The additional contract work would be charged against the approved GTF Capital Budget. Assuming approval of this additional work, an analysis has been completed which includes the estimated amount of work that will be performed by the Contractor and Others.

The analysis is as follows:

Budget	\$ 6,732,400
Project net cost	\$ 6,729,600
Variance (surplus)	\$ 2,800

POLICY – TENDERING OF CONSTRUCTION CONTRACTS

The recommendation in this report is made in accordance with the provisions of Council's policy for the tendering of construction contracts, the City's General Specifications and the specific project specifications.

SERVICE AND FINANCIAL OUTCOMES

Asphalt pavements, and concrete curb and sidewalks are essential infrastructure which directly impacts the quality of life in our community. Roadway infrastructure is important to the economic health of the community and citizens expect these assets to be maintained to an acceptable standard. Proper and timely maintenance of all roadway assets will ensure public safety, extend service life of the asset, and achieve best value for the investment.

This project will be completed within the original approved financial budget.

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS

N/a

ATTACHMENTS

N/a