

THE MUNICIPALITY OF LAMBTON SHORES

Report DPW 08-2022

Council Meeting Date: April 26, 2022

TO: Mayor Weber and Members of Council

FROM: Nick Verhoeven, Director of Public Works

RE: 2022 Capital Budget – Tar and Chip Resurfacing Tender Award

RECOMMENDATION:

THAT Report DPW 08-2022 regarding the tender award for the 2022 Tar and Chip Resurfacing Tender be received; and

THAT the tender from Cornell Construction Limited in the amount of \$276,572.05 excluding HST, (\$281,439.72 net HST), for the 2022 Tar and Chip Resurfacing Tender be accepted; and

THAT the Mayor and Clerk be authorized to sign the associated contract agreement.

SUMMARY

This report presents a summary of the tender award for the Tar and Chip Resurfacing Project for 2022. Staff is recommending award to Cornell Construction Limited.

BACKGROUND

In the 2022 Capital Budget Lambton Shores included a total of \$301,000 for tar and chip resurfacing of various streets throughout Lambton Shores. Streets are selected for resurfacing based on the current edition of the Municipalities Road Needs Study and are included in the capital budget deliberations. Tenders for the project were released in April 2022 and submissions were accepted until April 19th, 2022 with 1 submission being received. The result is presented below:

Bidder Name	Bid Submission Before Tax	Net Cost to Lambton Shores
Cornell Construction Limited	\$276,572.05	\$281,439.72

In accordance with the Municipalities' purchasing policy this contract must be awarded by Council because the contract value is over \$100,000. Staff have had the opportunity to review and confirm the tender. Only one bid was received for this work. Staff have had an opportunity to compare unit prices with other Municipalities and previous

tendered work within Lambton Shores and believe that the prices are competitive with within the market place and therefore the Municipality is receiving good value with this tender. The bid document was found to be complete, is acceptable contractually, the tenderer is an experienced contractor with this type of work, and the bid is within the budget allocation. As such, staff recommend award of the tender from Cornell Construction Limited for the net of HST price of \$281,439.72.

Streets in this tender include:

Street	Budget
Lakeview Haven Dr - Lakeshore to St Anthony	\$ 60,000
St Anthony Cr - LVH to LVH	\$ 17,000
Ravine Rd - Freeman to West End	\$ 6,000
Cliff Rd - Freeman to South end	\$ 8,000
Freeman St - Ravine to Cliff	\$ 9,000
Vance Dr - Lakeshore to Ravine	\$ 40,000
Marilyn St - Cedarview to South End	\$ 7,000
Cedarview Dr - Cedar Point to West End	\$ 15,000
Glendale Dr - Lakeshore to South End	\$ 80,000
Cole Crescent - Glendale to Glendale -	\$ 8,000
Keith St - Cedarview to South End	\$ 6,000
Cedar Point Li - Lakeshore to Cedarview	\$ 45,000

In addition to the streets included in the capital budget staff have included a section of Walker Road that has become distressed due to subsurface conditions. The capital budget has enough funds to cover the full project however staff intends to fund the Walker Road repairs from the operating budget.

ALTERNATIVES TO CONSIDER

The tender for this project was released in keeping with the Municipality's Purchasing Policy to ensure the Municipality is receiving market competitive price for the contracted work.

RECOMMENDED ACTIONS

Staff is recommending that the contract for this project be awarded to Cornell Construction Company Limited in the amount of \$281,439.72 Net HST.

FINANCIAL IMPACT

The net of HST price of the tender from Cornell Construction Limited is \$281,439.72. There are additional related road base repairs and preparation, materials testing, and contract administration costs of \$15,000 estimated during the course of this project. The tender cost and related project costs of \$296,439.72 is below the 2022 approved budget for this project of \$301,000.00. A portion of the project will be funded from the operating

budget for the Walker Road repairs. The difference between tender price and budget price will remain in the Transportaiton reserve fund.

CONSULTATION

Tender reviews were completed by Public Works Staff. Budget details confirmed by Director of Financial Services.