

Corporate Report

REPORT NUMBER 060-2023-Infrastructure & Operations-Engineering & Operations

DATE

PREPARED

March 13, 2023

FILE

MEETING DATE

April 17, 2023

SUBJECT

Contract 1, 2023 – Asphalt Resurfacing

RECOMMENDATION

WITH RESPECT to Report 060-2023-Infrastructure & Operations-Engineering & Operations, we recommend that Contract 1, 2023 for Asphalt Resurfacing be awarded to Pioneer Construction Inc., which submitted the lowest tender in the amount of \$5,721,354.13 (inclusive of HST); it being noted that the amount shown is based on estimated quantities; final payment for this Contract will be based on measured quantities for the completed work;

AND THAT paving and intersection signal rebuild work on Memorial Avenue for a cost of \$1,500,000.00 only be approved pending the notification of FedNor and NOHFC funding for Contract 7, 2023;

AND THAT the General Manager of Infrastructure and Operations report any significant variations in the Contract quantities to City Council;

AND THAT the Mayor and Clerk be authorized to sign all documentation related to this matter;

AND THAT any necessary By-laws be presented to City Council for ratification.

LINK TO STRATEGIC PLAN

This report directly supports 'Our Priorities' of the 2019-2022 Corporate Strategic Plan, through renewal of City infrastructure. This project includes the rehabilitation of the pavement surface on several City streets based on Engineering's asset management plan.

EXECUTIVE SUMMARY

This report recommends Contract No. 1, 2023 for Asphalt Resurfacing, which involves repaving of various streets within the City of Thunder Bay, be awarded to the lowest

bidder, Pioneer Construction Inc. Funds are available in the 2023 Capital Budget for this work, but a portion of the funds have been allocated to Contract 7, 2023 until provincial and federal funding are confirmed, resulting in some work being conditionally approved. Administration will advise City Council relative to the outcome of the funding applications once information is received from FedNor and NOHFC.

DISCUSSION

As a result of the call for tenders, three (3) responses as listed below were received for Contract 1, 2023 – Asphalt Resurfacing. The tendered costs include the applicable HST. The bids have been checked for mathematical errors and the corrections noted.

CONTRACTOR	TENDER OPENING BID	CORRECTED BID
Pioneer Construction	\$5,721,354.09	\$5,721,354.13
Bruno's Contracting	\$6,078,024.45	No Data
Taranis Contracting Group	\$6,388,044.64	No Data

The pre-tender estimate for this contract was \$6,369,060.64

Under this contract, sections of City streets will be rehabilitated by removing the existing asphalt pavement (full depth or partial depth) and placing a new layer of asphalt pavement. This contract also includes spot repairs to roadway drainage, sidewalks, curb and gutter, and street lighting.

Asphalt rehabilitation will be completed on sections of Arthur Street, and Dawson Road. Asphalt rehabilitation on a section of Memorial Avenue is also included in the contract in conjunction with the rebuilding of the traffic signals at the intersection of Memorial Avenue and Harbour Expressway. This work has been identified as work that will be cancelled if FedNor and NOHFC funding is not approved for Contract 7, 2023.

Additionally, the asphalt surface of several residential streets will be resurfaced. The residential work includes paving on sections of Ford Street, Wren Court, Lar-Den Court, McLeod Street, and Picton Avenue.

Miscellaneous paving to correct asphalt deformations at specific locations will be carried out on Albany Street, Arthur Street, Balmoral Street, Gore Street, High Street, Island Drive and Norah Crescent and other miscellaneous locations.

This contract also includes grading and drainage improvements on Townline Road between Oliver Road and Pole Line Road. This work is being done in preparation for application of surface treatment on this section of road. Surface treatment will be completed later this year under a separate quotation.

Pioneer submitted the lowest tender for this contract. Pioneer has previously completed similar asphalt resurfacing contracts for the City. Administration recommends this firm is qualified to undertake the work.

FINANCIAL IMPLICATION

Funds are included within the 2023 Capital Budget for the pavement rehabilitation of streets. \$1.5 million of funds from this contract have been reallocated to Contract 7, 2023 until federal and provincial funding is confirmed. Paving and intersection signal rebuild work on Memorial Avenue identified in Contract 1, 2023 will only be completed if FedNor and NOHFC funding is approved for Contract 7, 2023. These funds will not be approved at this time, but will be reallocated to Contract 1, 2023 if external funding is confirmed.

The following financial breakdown is provided:

Contract Tendered Price:	\$5,721,354.13
Less HST Rebate:	<u>\$569,097.53</u>
Subtotal:	\$5,152,256.60
Engineering and Other City Costs:	<u>\$425,000.00</u>
TOTAL COST:	\$5,577,256.60
Less: Memorial Ave Funding for Contract 7, 2023	\$1,500,000.00
TOTAL Funding Required for Contract 1, 2023:	\$4,077,256.60

This contract includes a contingency allowance for work that is unforeseen. These funds can only be expended with the approval of the General Manager of Infrastructure and Operations.

CONCLUSION

It is concluded that Contract 1, 2023 be awarded to the low bidder Pioneer Construction Inc. and that paving and intersection signal rebuild work on Memorial Avenue only be completed if FedNor and NOHFC funding is approved for Contract 7, 2023;

BACKGROUND

The 2023 Capital Budget, Corporate Report 1/2023 (Corporate Services and Long Term Care – Financial Services) Proposed 2023 Operating and Capital Budget, includes tax base funding, Canada Community Building Fund, Ontario Community Infrastructure Fund and EIRP funding for asphalt rehabilitation on various streets within the city.

Infrastructure and Operations Department asset management plan incorporates a pavement management system developed in 2000 which is used as a tool to help Administration prioritize roadwork.

REFERENCE MATERIAL ATTACHED

None

REPORT PREPARED BY

Matthew Miedema, P.Eng., Project Engineer

REPORT SIGNED AND VERIFIED BY

Kerri Marshall, General Manager – Infrastructure & Operations

Date (04/11/2023)