

To: David Creery, Chief Administrative Officer
From: Adam Cave, Manager of Municipal Infrastructure
**Re: Asphalt Resurfacing and Surface Asphalt 2023
Tender Award**

AIM

To obtain Council approval to award a tender for the 2023 Annual Asphalt Program.

BACKGROUND

Every year the City proceeds with asphalt resurfacing to preserve roads where the underground infrastructure is in good condition and places surface asphalt for last year's road reconstruction projects.

Tenders for this project closed on Thursday, June 15, 2023. Four (4) tender submissions were received. The three (3) lowest bid amounts (including HST) were as follows:

- Permanent Paving Ltd., Woodstock, Ontario \$2,199,000.00
- GIP Paving Inc., Petersburg, Ontario \$2,241,239.11
- J-AAR Excavating Limited, London, Ontario \$2,588,723.22

Per the City's purchasing policy, Council must approve any tender award exceeding \$750,000.00.

COMMENTS

The 2023-2027 Capital Budget allocated \$2,600,000.00 for this project. This amount is based on \$1,640,000.00 for asphalt resurfacing (11238), \$360,000.00 for surface asphalt (11239) and an additional \$600,000.00 for surface asphalt in a portion of the Commerce Way Industrial Park (12423). The low bid is under the budget amount.

Permanent Paving Ltd. is a local firm and has completed the annual program for the City of Woodstock several times in the past. Staff is recommending award of this project to this firm.

Subject to Council's approval, construction is anticipated to commence as soon as possible, weather permitting.

Since the project has come in under budget, Staff is anticipating adjusting the project scope to include some more roads for resurfacing. Based on our Road Needs Study and Asset Management Plan, there are many other road candidates that are eligible for resurfacing. Increasing the number of candidates for resurfacing will allow the City to continue its efforts to manage the infrastructure gap and improve levels of service.

In addition, Council may remember approving an additional \$200,000 in the Revenue Budget for the Asphalt Reserve. If Council wishes, this \$200,000 can be used for this contract thus increasing the available budget to \$2,800,000. There are enough resurfacing candidates that the contract scope can be increased to take advantage of this increased amount.

RECOMMENDATION

That Woodstock City Council approves an additional \$200,000 for asphalt resurfacing to be financed from the Asphalt Reserve.

And further that Woodstock City Council award the tender for the 2023 Annual Asphalt Program to Permanent Paving Ltd. in the amount of \$2,199,000.00, inclusive of HST.

Authored by: Adam Cave, C.E.T., Manager of Municipal Infrastructure

Approved by: Harold de Haan, P.Eng., City Engineer

Approved by: David Creery, P.Eng., MBA, Chief Administrative Officer