



The Corporation of the Town of Milton

Report To: Council
From: Glen Cowan, Chief Financial Officer / Treasurer
Date: April 15, 2024
Report No: CORS-017-24
Subject: Purchasing Various - April 2024
Recommendation: **THAT Council approve the budget amendments and related funding sources as outlined on Schedule A.**

THAT the tender for the 2024 Expanded Asphalt Program be awarded to Cox Construction Limited in the total amount of \$1,645,849 (excl. HST) as outlined in Schedule B.

THAT the tender for the 2024 Asphalt Overlay Program be awarded to Associated Paving & Materials Ltd. in the total amount of \$4,193,274 (excl. HST) as outlined in Schedule C.

THAT the tender for the Reconstruction of Burnhamthorpe Road (Expanded Asphalt) be awarded to Four Seasons Site Development Ltd. in the total amount of \$1,082,466 (excl. HST) as outlined in Schedule D.

THAT the contract increase for Contract Administration of High Point Road Rehabilitation (Regional Road 25 to Parkhill Drive) to GM Blue Plan in the amount of \$20,400 (excl. HST) be approved as outlined on Schedule E.

THAT the Manager, Purchasing and Supply Chain Management be authorized to execute the contract extension, as outlined by the purchasing by-law, and the Mayor and the Town Clerk be authorized to sign any required paperwork.

EXECUTIVE SUMMARY

This report is being submitted to obtain Council's authorization on the item in the attached schedule. Requests are being made as per the guidelines outlined in the Purchasing By-law No. 061-2018.



REPORT

Background

Procurement of goods and services is governed by By-law No. 061-2018. Purchasing activity is undertaken in a manner that is intended to support the Town's mandate to provide effective, responsible government and efficiently deliver services to the residents of Milton.

Discussion

Information pertaining to the recommended purchasing awards is included on the corresponding Schedules (A to E) attached.

Included within this report are tender awards for the 2024 Expanded Asphalt Program, the 2024 Asphalt Overlay Program and the Reconstruction of Burnhamthorpe Road (Expanded Asphalt). As shown in the schedules attached, in each case the low bid resulted in a favourable variance relative to the approved budget for the works.

Also, there is a contract increase for the contract administration of High Point Road Rehabilitation (Regional Road 25 to Parkhill Drive). The increase is for geotechnical services beyond the original scope of the project, as well as to reflect the final staging plan for the project.

Financial Impact

Financial impacts are outlined in detail on the attached Schedules A through E, and result in an overall reduction in the capital program of \$3,160,956. These savings will result in funding transfers to the Town's Project Variance Account, Development Charge Reserve Fund and Federal Gas Tax Reserve Fund. They will also result in a reduction of \$521,292 in the Town of Oakville's share of the work on the boundary road, and a \$1,300,000 reduction in the amount of debt that will be required in relation to these projects.

Respectfully submitted,

Glen Cowan
Chief Financial Officer / Treasurer



For questions, please contact: Sharon Telfer, Manager, Purchasing and Supply Chain Management Phone: Ext. 2138
Shirley Xie, Supervisor, Financial Reporting Phone: Ext. 2472

Attachments

- Schedule A – Reserve and Reserve Fund Transfers
- Schedule B – Tender award for the 2024 Expanded Asphalt Program
- Schedule C – Tender award for the 2024 Asphalt Overlay Program
- Schedule D – Tender award for the Reconstruction of Burnhamthorpe Road
- Schedule E – Contract increase for Contract Administration of High Point Road Rehabilitation (Regional Road 25 to Parkhill Drive)

Approved by CAO
Andrew M. Siltala
Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.

Summary of Changes in Capital Project Budgets and Funding

Schedule	B	C	D	Total Change in Funding Sources Increase / (Decrease)
Project Number	C35012824	C33900024	C35013624	
Project Description	Expanded Asphalt Program - Construction	Asphalt Overlay Program – Construction	Burnhamthorpe Road Rehabilitation	
Total Approved Project Budget	\$ 3,406,924	\$ 6,692,416	\$ 2,606,072	
Project Variance Account	(359,593)		(521,292)	(880,885)
Reserves and Reserve Funds:				
Development Charges:				
Roads DC		(95,878)		(95,878)
External Funding Sources:				
Federal Gas Tax		(362,901)		(362,901)
Recovery from Other Municipality			(521,292)	(521,292)
Tax Supported Debt	(800,000)	(500,000)		(1,300,000)
Total Increase/(Decrease) in Funding	(1,159,593)	(958,779)	(1,042,584)	\$ (3,160,956)
Total Revised Project Budget	\$ 2,247,331	\$ 5,733,637	\$ 1,563,488	

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
TENDER AWARD**

Project Award	Tender Award No. 24-01-00050 – 2024 Expanded Asphalt Program
Recommendation	Staff is recommending that the tender for the 2024 Expanded Asphalt Program be awarded to Cox Construction Limited in the total amount of \$1,645,849 (exclusive of HST), being the lowest compliant bid received.
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required for tender awards over \$1,000,000.
Background information	<p>This annual program is required to rehabilitate the asphalt surface on rural roads before they deteriorate to the point where full reconstruction is required. This program is an important component in maintaining the Town of Milton Road System. The identification of the roads is dictated by the 2018 State of Infrastructure – Roads Study, Final determination of the 2024 Expanded Asphalt program was based on the results the road assessment, geotechnical investigation, as well and coordination with other stakeholders. The Geotechnical investigation was completed in 2023, design and tender documents were completed in February 2024. There are three roads segments included in the 2024 Expanded Asphalt Program:</p> <ul style="list-style-type: none"> • Section 1: First Line Nassagaweya from No 25 Side Rd to No 28 Side Rd. • Section 2 No 15 Side Road from First Line Nassagaweya to Second Line Nassagaweya. • Section 3: Conservation Rd Regional Rd 1-Guelph Line to East Limit. This program includes the following within the scope of work: culvert replacements only where required, road works as per the recommendations in the Geotechnical Investigation and associated shouldering and driveway transitions. All the work is to remain within existing property limits. <p>External Agencies: The required permit for this project is in place.</p> <p>The 2024 budget for this work of \$2,828,409 was established by consultants using cost estimates based on pricing from previous contracts with the Town of Milton and accounted for an expected increase as a result of inflation. The unit prices submitted by lowest compliant bidder were similar to, but generally lower, than those of the unit prices bid by the remaining tenderers. Favourable prices were generally observed in the costs to supply and install asphalt pavement. This award will result in a savings to budget of \$1,153,593 as outlined in the Budget Impact section below.</p>
Date bid issued	February 27, 2024
Advertisements	Town of Milton website and the Bids & Tenders website

Closing Date	March 21, 2024																		
# of Plan takers	Twelve (12)																		
List of bid submissions inclusive of HST	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Cox Construction Limited</td> <td style="text-align: right;">\$1,859,820.15</td> </tr> <tr> <td>Gazzola Paving Limited</td> <td style="text-align: right;">\$1,902,598.67</td> </tr> <tr> <td>Forest Contractors Ltd.</td> <td style="text-align: right;">\$2,005,375.18</td> </tr> <tr> <td>Four Seasons Site Development Ltd.</td> <td style="text-align: right;">\$2,044,018.48</td> </tr> <tr> <td>Pacific Paving Limited.</td> <td style="text-align: right;">\$2,097,407.35</td> </tr> <tr> <td>PAVE-AL LIMITED</td> <td style="text-align: right;">\$2,311,415.00</td> </tr> <tr> <td>FERMAR PAVING LIMITED</td> <td style="text-align: right;">\$2,334,299.60</td> </tr> <tr> <td>GIP Paving Inc.</td> <td style="text-align: right;">\$3,209,518.66</td> </tr> <tr> <td>Dufferin Construction Company</td> <td style="text-align: right;">\$3,382,255.54</td> </tr> </table>	Cox Construction Limited	\$1,859,820.15	Gazzola Paving Limited	\$1,902,598.67	Forest Contractors Ltd.	\$2,005,375.18	Four Seasons Site Development Ltd.	\$2,044,018.48	Pacific Paving Limited.	\$2,097,407.35	PAVE-AL LIMITED	\$2,311,415.00	FERMAR PAVING LIMITED	\$2,334,299.60	GIP Paving Inc.	\$3,209,518.66	Dufferin Construction Company	\$3,382,255.54
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FERMAR PAVING LIMITED	\$2,334,299.60																		
GIP Paving Inc.	\$3,209,518.66																		
Dufferin Construction Company	\$3,382,255.54																		
Median bid value	The average bid received was \$2,349,634.29. The bid submitted by Cox Construction Limited approximately 23% less than the average bid received.																		
COR™ Requirement	<p>On Council Report CORS-013-18, the Town adopted the Certificate of Recognition (COR™) program as a requirement for projects valued over \$500,000. As such, only Bid submissions from Bidders that were COR™ Certified were accepted for this Tender request.</p> <p>All nine (9) bid submissions received were from COR™ Certified companies.</p>																		
Financial Planning Section: Budget Impact (Note 1)																			
Account Number(s)	C35012824-A0611-7670																		
Account Description	Expanded Asphalt Program - Construction																		
Project Total Budget	\$3,406,924																		
Contract Budget	\$2,828,409																		
Actual (Net of HST Rebate)	\$1,674,816																		
Variance (Note 2)	\$1,153,593 (F)																		
Funding Source	Project Variance Account / Tax Supported Debt																		

Note 1: Financial impact includes any non-refundable portion of HST

Note 2: As a result of the savings within the project staff further recommend that the debt financing on this project be eliminated, resulting in a further \$6,000 savings of financing charges. The total budget amendment and funding impacts is included in Schedule A of this report.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
TENDER AWARD**

Project Award	Tender Award No. 24-01-00097 – 2024 Asphalt Overlay Program
Recommendation	<p>Staff is recommending that the tender for the 2024 Asphalt Overlay Program be awarded to Associated Paving & Materials Ltd. in the base bid amount of \$4,175,774 (exclusive of HST), being the lowest compliant submission received.</p> <p>Staff are further recommending the award for provisional item Part 21 for speed cushions, in the total amount of \$17,500 (exclusive of HST).</p>
	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required for tender awards over \$1,000,000.
Background information	<p>This annual program is required to rehabilitate the asphalt surface on roads before they deteriorate to the point where major road rehabilitation or reconstruction is required. This program is an important component in maintaining the Town of Milton Road Network. The identification of the roads is dictated by the 2018 State of Infrastructure – roads study, engineer roads assessments, the results of the geotechnical investigation, the CCTV inspection report, coordination with utilities agencies and the Region.</p> <p>The base bid submitted by Associated Paving was in the amount of \$4,211,967 (exclusive of HST). Upon review of the tender analysis, it was determined that Part 20 for storm sewer flushing was no longer required to be completed as part of this contract, as the work had been completed as part the design phase of this project. The special provisions within the tender documents allows for the deletion of a section due to budget constraints or other factors. The amount for Part 20 was \$36,193 (exclusive of HST), making the new base bid \$4,175,774 (exclusive of HST). Staff are further recommending the award for provisional item Part 21 for speed cushions, in the total amount of \$17,500 (exclusive of HST).</p> <p>A 2024 budget of \$5,208,047 was established by consultants using cost estimates from 2023. Favourable prices were observed in the costs to supply and install asphalt pavement resulting in a savings to budget of \$958,779 as outlined in the Budget Impact section below.</p> <p>If, as the contract progresses, it is evident that it is feasible to complete additional roads, then these items may be added to the contract via change order, with any budget amendments required proceeding in accordance with the Town’s financial policies.</p>

Purchasing Section: Bid Award Information									
Date bid issued	February 8, 2024								
Advertisements	Town of Milton website and the Bids & Tenders website								
Closing Date	March 12, 2024								
# of Plan takers	Five (5) Prequalified Contractors from RFPQ 22-01-00097A-Renewed for the 2024 program (final renewal term)								
List of bid submissions inclusive of HST	<table> <tr> <td>Associated Paving & Materials LTd.</td> <td>\$4,759,522.29</td> </tr> <tr> <td>Gazzola Paving Limited</td> <td>\$5,120,798.08</td> </tr> <tr> <td>PAVE-AL LIMITED</td> <td>\$5,536,479.65</td> </tr> <tr> <td>D. Crupi & Sons Limited</td> <td>\$7,096,704.22</td> </tr> </table>	Associated Paving & Materials LTd.	\$4,759,522.29	Gazzola Paving Limited	\$5,120,798.08	PAVE-AL LIMITED	\$5,536,479.65	D. Crupi & Sons Limited	\$7,096,704.22
Associated Paving & Materials LTd.	\$4,759,522.29								
Gazzola Paving Limited	\$5,120,798.08								
PAVE-AL LIMITED	\$5,536,479.65								
D. Crupi & Sons Limited	\$7,096,704.22								
Median bid value	The average bid received was \$5,628,376.06. The bid submitted by Associated Paving & Materials Ltd is approximately 17% less than the average bid.								
COR™ Requirement	<p>On Council Report CORS-013-18, the Town adopted the Certificate of Recognition (COR™) program as a requirement for projects valued over \$500,000. As such, only Bid submissions from Bidders that were COR™ Certified were accepted for this Tender request.</p> <p>All four (4) bid submissions received were from COR™ Certified companies.</p>								
Financial Planning Section: Budget Impact (Note 1)									
Base Bid Award:									
Account Number(s)	C33900024-A0611-7670/7655								
Account Description	2024 Asphalt Overlay Program – Construction								
Project Total Budget (Note 2)	\$ 6,692,416								
Contract Budget	\$5,208,047								
Actual (Net of HST Rebate)	\$4,249,268								
Variance	\$958,779 (F)								
Funding Source	Federal Gas Tax/Tax Supported Debt/Development Charges								
Provisional Items Award:									
Account Number(s)	C40012623-A0614-7130								
Account Description	Traffic Calming								
Project Total Budget	\$195,068								
Contract Budget	\$45,792								
Actual (Net of HST Rebate)	\$17,808								
Variance	\$27,984 (F) (Note 2)								
Funding Source	Project Variance Account								

Note 1: Financial impact includes any non-refundable portion of HST.

Note 2: Staff recommend that the favourable variance remains in the project in order to accommodate additional speed cushions.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
TENDER AWARD**

Project Award	Tender Award No. 24-01-00508 – Reconstruction of Burnhamthorpe Road (Expanded Asphalt)																
Recommendation	Staff is recommending that the tender for the Reconstruction of Burnhamthorpe Road (Expanded Asphalt) be awarded to Four Seasons Site Development Ltd. in the total amount of \$1,082,466 (exclusive of HST) being the lowest compliant bid received.																
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required for tender awards over \$1,000,000.																
Background information	<p>This capital project is for the rehabilitation of Burnhamthorpe Road from Tremaine Road to Regional Road 25. This road segment was identified in the 2018 State of the Infrastructure-Roads Study for rehabilitation. Burnhamthorpe Road is also a boundary road with the Town of Oakville which will be cost shared as per the agreement executed on February 22, 2023.</p> <p>Rehabilitation will consist of culvert replacements and relining where required, minor curb and gutter works, and asphalt reclamation with an expanded asphalt stabilization and asphalt overlay as per the in-depth pavement investigation.</p>																
Purchasing Section: Bid Award Information																	
Date bid issued	March 1, 2024																
Advertisements	Town of Milton website and Bids & Tenders website																
Closing Date	March 26, 2024																
# of Plan takers	Fourteen (14)																
List of bid submissions inclusive of HST	<table> <tr> <td>Four Seasons Site Development Ltd.</td> <td>\$ 1,223,186.49</td> </tr> <tr> <td>Gazzola Paving Limited</td> <td>\$ 1,425,435.62</td> </tr> <tr> <td>FERMAR PAVING LIMITED</td> <td>\$ 1,503,789.00</td> </tr> <tr> <td>Associated Paving & Materials Ltd.</td> <td>\$ 1,531,822.15</td> </tr> <tr> <td>IPAC Paving Limited</td> <td>\$ 1,552,792.64</td> </tr> <tr> <td>PAVE-AL LIMITED</td> <td>\$ 1,719,997.86</td> </tr> <tr> <td>Dufferin Construction Company</td> <td>\$ 2,083,524.97</td> </tr> <tr> <td>DIG-CON INTERNATIONAL LIMITED</td> <td>\$ 2,534,881.08</td> </tr> </table>	Four Seasons Site Development Ltd.	\$ 1,223,186.49	Gazzola Paving Limited	\$ 1,425,435.62	FERMAR PAVING LIMITED	\$ 1,503,789.00	Associated Paving & Materials Ltd.	\$ 1,531,822.15	IPAC Paving Limited	\$ 1,552,792.64	PAVE-AL LIMITED	\$ 1,719,997.86	Dufferin Construction Company	\$ 2,083,524.97	DIG-CON INTERNATIONAL LIMITED	\$ 2,534,881.08
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Dufferin Construction Company	\$ 2,083,524.97																
DIG-CON INTERNATIONAL LIMITED	\$ 2,534,881.08																
Median bid value	The average bid received was \$1,696,928.73. The bid submitted by Four Seasons Site Development Ltd. is approximately 32% less than the average bid.																
COR™ Requirement	On Council Report CORS-013-18, the Town adopted the Certificate of Recognition (COR™) program as a requirement for projects valued over \$500,000. As such, only Bid submissions from Bidders that were COR™ Certified were accepted for this Tender request.																

	All eight (8) bid submissions received were from COR™ Certified companies.
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Financial Planning Section: Budget Impact (Note 1)	
Account Number(s) Account Description Project Total Budget	C35013624-A0611-7670 Burnhamthorpe Road Rehabilitation \$2,606,072
Contract Budget Actual (Net of HST Rebate) Variance (Note 2) Funding Source	\$1,970,968 \$1,101,517 \$869,451 (F) Project Variance Account / Recovery from Other Municipality

Note 1: Financial impact includes any non-refundable portion of HST

Note 2: Staff recommend a further budget reduction of \$173,133 within this project to reduce contingency in line with the reduced contract budget. The total budget amendment and funding impacts is included in Schedule A of this report.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
CONTRACT INCREASE**

Project Award	Contract Increase for the Contract Administration of High Point Road Rehabilitation (Regional Road 25 to Parkhill Drive)
Recommendation	Staff is recommending the contract increase in the amount of \$20,400 (exclusive of HST) to GM BluePlan Engineering for additional contract administration services required for High Point Drive.
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>Through PDA-CRAN-22-051-09, Staff approved the contract award for the design work for the Rehabilitation of High Point Road to GM BluePlan Engineering in the amount of \$93,692 (exclusive of HST). One change order was issued for the design work in the amount of \$23,150 (exclusive of HST), approved through CORS-073-22. Staff further approved the contract administration work through PDA-CRAN-23-051-06 in the amount of \$85,050 (exclusive of HST). One change order was issued for additional contract administration services in the amount of \$4,000 (exclusive of HST). The current total for this project is \$205,892 (exclusive of HST).</p> <p>This contract increase of \$20,400 (exclusive of HST) is for Geotechnical services beyond the original scope of the project. The additional work is a result of unforeseen subsurface conditions, as well as fast progress via smaller (and more frequent) stages by the Contractor. GM BluePlan has confirmed that the additional funds will cover the remainder of the scope for this contract.</p> <p>Staff have reviewed and validated the rates used are consistent with the current Consultant Roster awarded through RFP-21-051. The new contract total will be \$226,292 (exclusive of HST).</p>

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C33014323-A0611-7210
Account Description	Contract Administration
Project Total Budget	\$3,220,463
Contract Budget	\$0
Actual (Net of HST Rebate)	\$20,759
Variance (Note 2)	\$20,759 (U) (Note 2)
Funding Source	Reallocation of line items within the project

Note 1: Financial impact includes any non-refundable portion of HST.

Note 2: The unfavourable variance will be managed through the reallocation of other expenditure lines within the project.