



AGENDA ITEM

2022 Paving Program

Lockhart Road Tender Results

January 31, 2022

BACKGROUND

At the September 23, 2021 Council meeting, Council adopted the 5-year paving program, and authorized the County Manager to tender and award the paving of Lockhart Road for 2022. The budget for this project was presented to Council as \$7,410,100, which included construction and engineering costs.

ANALYSIS

On January 18th, 2022, tenders were received from a total of five contractors, with the low bid coming from Central City Asphalt Ltd. At \$6,816,110.29, this brings the total estimated project cost to \$7,534,027.80 with the breakdown of costs as follows:

Construction costs (less site occupancy)	\$6,611,110.29
Contingency (5%)	\$330,555.51
Potential site occupancy bonus	\$20,000.00
Potential ACP bonus	\$29,910.00
Engineering	\$542,452.00
Total	\$7,534,027.80

This represents an overage of \$123,927.80. There were cost increases expected after very favourable pricing the last few years. With input from a consultant, budget costs were forecast in fall 2021, anticipating an increase due to the price of materials. The price increases for materials in all the bids was more than what was expected in the budget estimate.

Evaluation of the five tenders received shows similar costs for gravel and asphalt, which make up the largest component of the bid. This provides assurance the bids received are competitive and indicative of the current bidding climate.

Administration is confident the numbers received, while over the initial budget estimate, are competitive for the market, and better pricing would not be expected if the project were to be deferred to a later date.



Alternatives:

1. Authorize the budget increase for the 2022 paving program from \$7,410,100.00 to \$7,534,027.80. (Administrative recommendation)
2. Take other action(s) as determined by Council.

BUDGET IMPLICATIONS

2022 Paved Road Capital Costs	\$7,582,929.80
Funding to be from Main Road Reserve, MSI, Canada Community Building Fund	
Main Road Reserve projected balance as of December 31, 2021	\$18,534,040.00

LEGISLATIVE RESPONSIBILITIES

Municipal Government Act – Section 18 (1) - Subject to this or any other Act, a municipality has the direction, control and management of all roads within the Municipality.

Municipal Government Act: Section 3 – The purpose of a municipality are:

- (a) to provide good government,
- (b) to provide services, facilities or other things that, in the opinion of council, are

RECOMMENDATION

That Council approve the following resolution:

That Council authorize the increase in budget for the 2022 paving program to \$7,534,027.80.

PREPARED BY: Bryce Maschio, Project Manager

REVIEWED BY: Bill Cade, Director of Operations

REVIEWED BY: Tim Timmons, County Manager