

To: Warden and Members of County Council

From: Director of Public Works

Contract Award – 2021 Joint Surface Treatment

RECOMMENDATIONS

1. That County Council award a contract to the low bidder, Norjohn Contracting & Paving Ltd., in the amount of \$1,068,730 (excluding HST), for the County portions of work included in the 2021 Joint Surface Treatment tender;
2. And further, that County Council authorize the Chief Administrative Officer and Director of Public Works to sign all documents related thereto.

REPORT HIGHLIGHTS

- The purpose of this report is to obtain County Council approval to award the 2021 Joint Surface Treatment contract for various County road sections to Norjohn Contracting & Paving Ltd., in accordance with the County Purchasing Policy.
- The contract amount recommended for approval includes County portions of work in the amount of \$1,068,730 (excluding HST), of which is the proposed surface treatment along Oxford Road 5 and Oxford Road 14.
- Area Municipalities were invited to participate in this joint tender opportunity, with the combined pricing submitted for the Township portions totalling \$1,405,379 (excluding HST). Award of Township amounts is not included in the recommendation section of this report, as individual Area Municipalities will award their own parts based on their respective Councils' acceptance.
- This project is anticipated to begin in June 2021 and is targeted for completion by September 2021.

Implementation Points

Upon County Council approval, the Chief Administrative Officer and the Director of Public Works will execute a contract with the low bidder, Norjohn Contracting & Paving Ltd. in the amount of \$1,068,730 (excluding HST). With an executed contract in place, the Contractor and County staff will begin to implement a plan and schedule to complete the proposed County sections. It is anticipated that the scope of work to be undertaken as part of this project will begin in June 2021 and be completed by September 2021.

A portion of Oxford Road 5 (from Oxford-Waterloo Road to Punkeydoodles Avenue) included in this project is a shared road with the bordering Municipality, the Township of Wilmot. The Township of Wilmot has been provided with the tender results related to the above road section and have agreed to 50/50 cost share the associated work which is being undertaken by the County.

Area Municipalities that decide to proceed with their portions of work will coordinate directly with the successful Contractor regarding scheduling of work, administration/inspection and payment of their respective sections completed.

Financial Impact

Surface treatment along County roads will be funded from the 2021 Business Plan and Budget. As mentioned, planned work along a shared section of Oxford Road 5 is being 50/50 cost shared with the Township of Wilmot, with the approximate amount of cost recovery from the Township of Wilmot totalling \$110,300 once surface treatment has been completed.

A summary of the financial impact of this contract on the following approved Capital budgets are presented in Table 1 below.

Table 1: Funding Summary for 2021 Joint Surface Treatment

2021 Capital Budget Account / Description	Available 2021 Budget	2021 Expenditures (excluding HST)
930099 – Rehab & Resurfacing (Approved Budget: \$4,905,000) (Less other projects: \$3,383,638)	\$1,521,362	\$1,068,730
Subtotal	\$1,521,362	\$1,068,730
Non-Refundable HST (1.76%)		\$18,810
2021 Total		\$1,087,540

Communications

The communication strategy for this project will be similar to other County construction projects. The Contractor's project manager and the County's project manager will form an open channel of communication and will include other members of the project team as needed. These communications will commence upon approval of this report and will continue for the duration of the project.







Communication with the public (affected property owners and business owners) will begin when the project approaches initiation stages in the form of typical construction notices delivered by mail and/or hand delivery, when required. Communication will continue throughout the duration of the project as required to keep the affected parties informed and updated on the project's progress. Additionally, further outreach and promotion of construction activities will include advertisement on the County website and social media campaigns when required.

Communication and engagement with interested Area Municipalities (South-West Oxford, Tillsonburg, East Zorra-Tavistock, Blandford-Blenheim, Norwich) took place during the planning stages of this project in which various aspects of this project were discussed, including upcoming work plans, schedules and incorporation of surface treatment quantities in this joint tendering opportunity.

Furthermore, communication with the Township of Wilmot was initiated regarding proposed work along Oxford Road 5; in particular, the shared portion of this road segment (from Oxford-Waterloo Road to Punkeydoodles Avenue). The Township of Wilmot agreed in principle for the scope of work to be completed and the proposed 50/50 cost splitting of this shared section.

Staff will continue to work with key internal stakeholders (County Management staff, Transportation staff, and Waste Management staff) and external stakeholders during the execution of this project as required to ensure the appropriate level of communication and outreach is maintained as well as further ensuring all parties involved are updated on project status and outcomes as needed.

Strategic Plan (2020-2022)

					
WORKS WELL TOGETHER	WELL CONNECTED	SHAPES THE FUTURE	INFORMS & ENGAGES	PERFORMS & DELIVERS	POSITIVE IMPACT
1.i. 1.ii.	2.i.	3.iii.	4.ii.	5.i. 5.ii.	

DISCUSSION

Background

Various County road sections have been included for 2021 surface treatment application as part of this project. These road sections include 12.2 kilometres of Oxford Road 14 (from Oxford Road 59 to Oxford Road 15) and 10.4 kilometres of Oxford Road 5 (from Oxford Road 8 to Oxford Road 24). As mentioned previously, a section of Oxford Road 5 (approximately 4.7 kilometres in length) is shared with the neighbouring Township of Wilmot. The County will be undertaking the work on this shared segment of Oxford Road 5 and will, upon completion, proceed with cost recovery of the Township's determined respective cost share.

Road resurfacing on the selected sections of County roads is carried out annually in order to maintain the County road network in an overall good state of repair. Surface treatment is classified as Low Cost Bituminous (LCB) surface and is placed on lower-volume roads and road sections that require holdover strategies to maintain the current condition of the road until more intrusive and costly pavement rehabilitation or reconstruction options are considered.

The surface treatment work included in this project involves single surface treatment with stress-absorbing material which involves the application of asphalt binder materials (bitumen emulsion), mineral aggregates and the use of Fiber Mat (fiberglass stress-absorbing strands that are incorporated into the surface treatment application). This product has a slightly higher cost than traditional surface treatment types without stress-absorbing material; however, it also provides faster setting times (less stone displacement), has an increased life span, adds tensile strength to the existing pavement structure and has historically been successfully used on many County roads to help preserve the existing asphalt pavements and increase their useful life.

A County map identifying the selected surface treatment roads has been included as Attachment 1 to this report.

Comments

A prequalification process was completed ahead of the tendering stage of this project in December 2020. Staff reviewed the prequalification submissions and recommended that two Contractors be pre-qualified for invitation to submit bids on this tender opportunity. The evaluation of submissions were based on a number of factors including Contractors' previous project experience with similar projects of scope and size, overall management team background and experience managing projects of this scale.

As this project has the possible risks that would be associated with any construction project of this scale and scope, the successful Contractor is also required to secure construction Bonds and Insurance to mitigate risks related to the exposure of financial loss.

If the proposed surface treatment works included in this project and the 2021 budget plan do not proceed, the County may be exposed to some potential implications and risk. Retendering at a later date may result in less competitive bids, if resurfacing strategies do not proceed pavement conditions will continue to deteriorate allowing the County's road Asset Management Plan to fall behind schedule, and further the potential for increased maintenance cost and a reduction in the level of service expected.

After the prequalification process was completed and the Contractors that were eligible to move forward were selected, the project was tendered through a competitive bidding process, which opened on February 26, 2021. The tendering process closed on March 19, 2021 at 2:00 p.m. and two bids were received for the County portions of the work tender as per Table 2.

Table 2: Summary of Bid Submissions

General Contractor	Bid Amount (excluding HST)
1. Norjohn Contracting & Paving Ltd.	\$1,068,730
2. MSO Construction Ltd.	\$1,406,487

Staff reviewed the bid submissions and have confirmed that the low bid received from Norjohn Contracting & Paving Ltd., in the amount of \$1,068,730 (excluding HST), represents good value for the work.

Conclusions

After review of the bid submissions, it is recommended that the 2021 Joint Surface Treatment contract be awarded to the low bidder, Norjohn Contracting & Paving Ltd. Award of this Contract will allow important rehabilitation to the County's rural road network to proceed.

SIGNATURES

Report Author:

Original signed by:

Alex Brown, C. Tech
Coordinator of Construction

Departmental Approval:

Original signed by:

David Simpson, P.Eng., PMP
Director of Public Works

Approved for submission:

Original signed by:

Michael Duben, B.A., LL.B.
Chief Administrative Officer

ATTACHMENT

Attachment 1: 2021 Surface Treatment Map