



Subject: Annual Asphalt Resurfacing Program, Extension

To: Council

From: Engineering and Operations Department

Report Number: 2021-24

Meeting Date: January 25, 2021

Recommendation:

That Engineering and Operations Department Report 2021-24 be received;

That the current Asphalt Resurfacing Contract #2015 Road Resurfacing with Rankin Construction Inc. be extended for an additional 2 years, at an annual increase of 2% applied to the 2020 unit rates for 2021, and a 2% increase applied to the 2021 unit rates for 2022;

That staff be directed to utilize the bid items as listed within the existing Tender Document in such a manner to complete all works as may be required for each year of 2021 and 2022, all as approved in the annual budget by Council; and

That a contract by-law, whereby the City enters into a Contract Agreement with the contractor be prepared to extend the contract as stated.

Purpose:

The purpose of the report is to provide details and inform Council of an offer by the current contractor to extend their existing contract with the municipality for two years.

Discussion:

Staff received a proposal from Rankin Construction Inc. to extend the existing Road Resurfacing Program contract for two years, being 2021 and 2022. The contractor proposes to continue to supply the services as stipulated within the previous two-year contract, from 2019/2020, and will do so at an annual increase of 2%.

This action would provide the municipality the ability to establish its annual asphalt resurfacing costs for both 2021 and 2022 at a 2% annual increase from the 2020 contract

pricing. Rankin Construction successfully tendered this contract in 2015 as a two-year contract. In both 2017 and 2019, the municipality granted a two-year extension to this contract at a 2% annual increase; the same as proposed this year. Staff are currently finalizing details on the 2021 road resurfacing list which include the budget allocation. This list will be released to Council and the public before commencing the 2021 Road Resurfacing Program.

Financial Implications:

Extending the Road Resurfacing program for two years will establish the pricing for 2021 and 2022 based on the 2020 unit rates plus a 2% annual increase.

Conclusion:

Staff recommend that Council accept the offer to extend the 2020 Road Resurfacing Program for two years being 2021 and 2022 at a 2% annual increase.

Appendices:

- a. Appendix A – Rankin Construction Inc. - Extension Request

Respectfully submitted,

Patrick Zub
Design & Construction Supervisor
905-835-2901 ext. 221
patrick.zub@portcolborne.ca

Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final approval is by the Chief Administrative Officer.