

DATE: April 14, 2025

REPORT NO: O-10-2025

SUBJECT: **2025-2026 Hot Mix Spot Repair Program Tender Authorization**

CONTACT: Tray Benish, CRS-S, Manager, Operations
Mike DiPaola, P.Eng., Director, Infrastructure

OVERVIEW:

- As part of the Township's annual road maintenance, Administration developed and circulated a tender for the placement of hot mix asphalt for road spot repairs at various locations throughout the Township, including provisional items for winter paving.
- The term of contract will be two (2) years, beginning May 1st, 2025 and ending April 30th, 2027.
- A tender document was circulated for the proposed works, which closed on March 21st, 2025.
- A low bid submission in the amount of \$393,000.00 (plus HST), for a two-year term (\$196,500.00 per year), was received by Kon-Strutt Construction resulting in a total estimated expenditure of \$420,000.00, or \$210,000 per year.
- The Township has received favorable references for Kon-Strutt Construction and they have successfully completed similar work for other municipalities throughout Southern Ontario.
- Administration recommends acceptance of the tender submitted by Kon-Strutt Construction for a two-year term.

RECOMMENDATION:

1. That, Recommendation Report O-10-2025, titled "2025-2026 Hot Mix Spot Repair Program Tender Authorization", dated April 14th, 2025, be received; and,
2. That, the tender submission be awarded to Kon-Strutt Construction for the paving of road spot repairs, in the amount of \$393,000.00 (excluding HST) for a two-year term; and,
3. That, Council approve total program expenditures in the amount of \$420,000.00, or \$210,000.00 per year; and,
4. That, a By-Law be passed to authorize the Mayor and Clerk to enter into an agreement with Kon-Strutt Construction.

ALIGNMENT TO STRATEGIC PLAN:

Theme #1

- **Build** – a safe, connected, caring and active community

BACKGROUND:

As part of the annual roads maintenance operations, Administration circulated a Hot Mix Spot Repair Program tender. The spot repairs are for various locations throughout the Township, and are a result of items such as cross culvert replacements, trench reinstatements from water/sewer infrastructure repairs, bridge approaches, and general road repairs.

Due to the severity of the current winter season, a significant amount of damage has been caused to roads throughout the Township. Historically, this Tender was done annually and awarded later in the year. In order to be proactive as a result of the recent experience with road damage caused by this past winter, Administration decided to tender this program now and for a two-year term, with winter provisional items.

CURRENT SITUATION:

The hot mix spot repair program tender was circulated on March 7th, 2025 with a closing date of March 21st, 2025. The tender was advertised online through an electronic bidding system. Six (6) tender submissions were received by the tender closing date.

All submissions were checked for completeness, accuracy and arithmetic correctness. A mathematical error was made on one tender submission by Kon-Strutt Construction, however the error did not impact the bid result order. The tender bid submissions are as follows:

Company	Year 1 (May 1, 2025 - April 30, 2026)	Year 2 (May 1, 2026 – April 30, 2027)	Total Tender Price (excl. HST)
Associated Paving and Materials Ltd.	\$235,875	\$247,220	\$483,095.00
Circle P. Paving Inc.	\$210,300	\$215,300	\$425,600.00
Kon-Strutt Construction*	\$196,500	\$196,500	*\$393,000.00
Rankin Construction Inc.	\$258,825	\$270,225	\$529,050.00
Springside Paving Ltd.	\$250,880	\$256,842.50	\$507,722.50
Steed and Evans Ltd.	\$243,250	\$251,500	\$494,750.00

*Price shown is corrected bid amount.

The low bidder, Kon-Strutt Construction has completed various other similar works for other municipalities throughout Southern Ontario, and is capable of completing this project.

FINANCIAL IMPLICATIONS:

As part of the 2025 Road Maintenance Operating Budget, Administration allocated \$215,000.00 towards the hot mix spot repair program. The total program expenditure is estimated to be \$210,000.00 as summarized below.

Project Budget	Year 1 Cost (May 1, 2025 – April 30, 2026)	Year 2 Cost (May 1, 2026 – April 30, 2027)
Tender Amount	\$196,500.00	\$ 196,500.00
Miscellaneous & Net HST	\$ 13,500.00	\$ 13,500.00
Total	\$210,000.00	\$ 210,000.00

Kon-Strutt Construction's bid amount includes \$10,000.00 in contingencies to cover any quantity overruns within the contract. New repair locations may be added during the course of the two-year contract. Administration will ensure not to exceed the approved annual budget amount of \$215,000.00. The Contract Agreement will be entered into with Kon-Strutt Construction with a maximum upset limit of \$210,000.00 for each year of the contract.

INTER-DEPARTMENTAL COMMENTS:

This report has been reviewed by the CAO, the Director of Corporate Services/CFO, and the Clerk's office.

CONCLUSION:

In summary, Administration recommends that this contract be awarded to the low bidder, Kon-Strutt Construction at their bid price of \$393,000.00 (excluding HST), with a total estimated 2025-2026 program cost of \$420,000.00, or \$210,000.00 per year.

Administration further recommends that a By-Law be adopted authorizing the Mayor and Clerk to enter into an agreement for contract with Kon-Strutt Construction for the 2025-2026 Hot Mix Spot Repair Program as outlined above.

SCHEDULE(S)

Schedule A – By-law **2025-XX** to Authorize an Agreement with Kon-Strutt Construction

Prepared & Submitted by:

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Mike DiPaola, P. Eng
Director, Infrastructure

Approved by:

Truper McBride
CAO