

REPORT OF THE ACTING DIRECTOR OF PUBLIC WORKS

Re: 2023 Contract for Asphalt Crack Sealing

RECOMMENDATION

That Council approve the CONTRACT NO. RDS2023-01, TENDER FOR CRACK SEALING in the amount of **\$86,800.00** plus applicable taxes to Northern Contracting and Maintenance (sault) Ltd.

BACKGROUND

Tender RDS2023-01 was issued to request bids for the supply and application of asphalt crack sealing.

The scope of work includes the provision of all labour, material and equipment necessary to provide crack sealing services for approximately 40,000 metres (30,000 metres at various streets and 10,000 metres at the airport).

Asphalt crack sealing is essential for the maintenance of asphalt, as it helps to prevent larger maintenance projects and extends the life of the asphalt surface. Traditionally, the City engages in an annual crack sealing maintenance program.

ANALYSIS

The tender was advertised on Bids & Tenders website with a closing date Tue Apr 11, 2023. Six firms responded to the tender.

The pricing received through the tender response was as follows:

Vendor	City/Province	Price Offered (Excluding HST)
Upper Canada Road Services Inc.	Markham, Ontario	\$179,200.00
Northern Contracting & Maintenance (sault) Ltd.	Sault Ste. Marie, Ontario	\$86,800.00
Niagara Crack Sealing	Port Colborne, Ontario	\$120,000.00
Fine Line Markings inc.	Stoney Creek, Ontario	\$118,000.00
Neptune Security Services Inc	Mississauga, Ontario	\$160,000.00
LSC Technology Ltd	Fenelon Falls, Ontario	\$150,000.00

FINANCIAL IMPACT

The work is to be funded through the Public Works Department operating budget as a contracted service. This budget line item was pre approved for 2023 in the amount of **\$66,512.00**. As the previous 5 year spend on asphalt crack sealing had not shown a wide variance in cost, this budgeted amount was based on a 6% increase in costs over last year's spend for these services. Northern Contracting and Maintenance (sault) Ltd.'s bid is **\$20,288.00** over budget, with the remainder of respondents offering prices that were significantly higher. This variance is likely explained by sector-wide post-pandemic price adjustments affecting this cost centre in a delayed manner.

Given the range and value of prices offered for this work, staff is noting that this cost centre is vulnerable to increases for the 2024 budget.

LINKS TO STRATEGIC PLAN

This project directly relates to the following key section of the strategic plan:

- Continued investment into infrastructure

SUMMARY

Staff recommends that Council approve the contract no. RDS2023-01 tender for asphalt crack sealing in the amount of **\$86,800.00** plus applicable taxes to Northern Contracting and Maintenance (sault) Ltd.

