



City of
Peterborough

To: **Members of the General Committee**

From: **Cynthia Fletcher**
Commissioner of Infrastructure and Planning Services

Meeting Date: **April 14, 2020**

Subject: **Report IPSENG20-008**
Award of Non-Standard Procurement for Asphalt Limit
Increases to the Chemong Road and Broadway Boulevard
Intersection Improvements Project

Purpose

A report to recommend award of a non-standard procurement process to coordinate City pavement works with that of a developer. The asphalt limit increases relate to the Chemong Road and Broadway Boulevard intersection improvements project.

Recommendations

That Council approve the recommendations outlined in Report IPSENG20-008, dated April 14, 2020 of the Commissioner of Infrastructure and Planning Services as follows:

- a) That the non-standard procurement for asphalt limit increases to the Chemong Road and Broadway Boulevard intersection improvements project be awarded to Accurex Inc., 150 O'Carroll Avenue Unit 1, Peterborough, Ontario, K9H 4V3, at a total cost of \$232,133.80, plus HST of \$30,177.39, for a total of \$262,311.19; and
- b) That a provisional work value of \$10,000.00 be committed to the project and the Commissioner of Infrastructure and Planning Services be provided the authority to adjust the purchase order value to an upset limit of \$242,133.80, excluding HST, as necessary to complete this project.

Budget and Financial Implications

The total net \$246,395.35 requirement, after applicable HST rebates, for asphalt limit increases to the Chemong Road and Broadway Boulevard intersection improvements can be accommodated within the approved \$4,100,000.00 allocation within the 2020 Capital Budget Pavement Preservation Program, Capital Budget Reference 5-10.01.

Background

Brief Description of the Work

Accurex Inc. currently has a contract with Mason Homes and the City through a development agreement for the upgrades and improvements to the intersection of Chemong Road and Broadway Boulevard. The City plans to upgrade the road surface asphalt on either side of the intersection improvements, in order to prevent deterioration beyond the ability to capture it within the scope of pavement preservation and leading to a more extensive reconstruction. The new limits of surface asphalt replacement would be from the north edge of the Chemong Road and Milroy Drive intersection to the north City limits. Furthermore, the asphalt is of the same vintage as the asphalt that will be replaced as part of the intersection improvements, and there are advantages to the City in coordinating with the adjacent development project. One advantage is a single mobilization of grinding equipment and crews. Another advantage is economies of scale since the two proposed extension limits are quite small on their own, and the traffic control measures will only become more expensive and impactful once the intersection improvements are turned over to the City.

Non-competitive Bid Process

Under normal circumstances this procurement would require the preparation and award of a competitive procurement process. In this instance, Section 11.3.1 of the Procurement By-law 18-084, which states “For the procurement of goods under exceptionally advantageous circumstances...” applies as Accurex Inc. is the contractor already secured by Mason Homes and the City to complete the intersection improvements, which also lends to cost benefits and reduction in public impacts.

The recommendation to proceed with a non-competitive bid process was reviewed and approved by the Treasurer.

Recommended Supplier

Accurex Inc. is the recommended successful supplier for the asphalt limit increases to the Chemong Road and Broadway Boulevard intersection improvements. Accurex Inc. currently has a contract with Mason Homes and the City through a development agreement which contains the majority of the construction items required to perform the extended proposed asphalt resurfacing upgrade. The costs are favourable and in line

with recent 2019 and 2020 pricing. Accurex Inc. has agreed to hold current pricing where applicable and have provided reasonable pricing on any items that were not captured in the contract between Mason Homes and Accurex Inc.

Council Approval Required

Chart 2, Section a) iv) of Appendix A of the Procurement By-law 18-084 indicates Council must approve a non-standard or limited competition procurement when the value is at or above \$100,000.

Timelines

If the recommendation is approved, the purchase will be confirmed via a purchase order before the work commences.

The contractor is proposing to commence the work in May 2020 and expects to be completed by July 2020.

Summary

Staff recommend that the non-standard procurement for asphalt limit increases to the Chemong Road and Broadway Boulevard intersection improvements project be awarded to Accurex Inc., as there are several financial and community impact benefits to the City in coordinating this work.

Submitted by,

Cynthia Fletcher
Commissioner of Infrastructure and Planning Services

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