



## Staff Report

**Report Title: Asphalt Paving RFQ 2023**

**Prepared By: John Yungblut**

**Department: Public Works**

**Date: May. 1, 2023**

**Report Number: PW-2023-05-27**

**File Number: C11 PW 23**

**Attachments: Paving Quote**

---

### **Recommendation:**

That the Township of Huron-Kinloss Committee of the Whole hereby receives Report Number PW2023-04-21 prepared by John Yungblut, Director of Public Works AND accepts the quotation from Lavis Contracting Co. Ltd. in the amount of \$353,601.75 plus HST for hot mix asphalt paving on Con. 10, Lake Range Dr. and Finlay St. AND grants an exemption to the Purchasing and Procurement Policy AND FURTHER authorizes the appropriate by-law coming forward.

### **Background:**

Similar to previous years, Township staff have negotiated our asphalt paving program directly with Lavis Contracting from Clinton, Ontario. The reasoning for this approach is there aren't any other qualified paving contractors that are willing to compete for paving projects in the Township and staff have been satisfied with the quality of Lavis' work and the pricing we have received.

The 2023 asphalt paving program will include the following:

1. Con. 10 between Sideroad 20 and Bruce Road 7 - pulverization of the existing pavement and hot mix asphalt paving (2 km)
2. Lake Range Dr. between Ashfield-Huron Towneline and 200m north – milling of the existing asphalt surface and paving surface hot mix asphalt
3. Finlay St. between Huron St. and William St. N – paving the top lift of hot mix asphalt

Once again, Lavis has offered to provide a credit to the Township if the asphalt cement (AC) price index as posted by the MTO is lower at the time of paving

compared to the time of providing the quotation. Conversely, if the AC price index increases, Lavis will not be seeking additional compensation from the Township.

**Discussion:**

The unit price for asphalt paving of \$122/tonne for Con. 10 is a substantial increase compared to the \$105.50/tonne unit price for Con. 12 from last year, however, it should be noted that the Con. 12 paving contract was for 8km of paving compared to 2km this year on Con. 10. Mobilization and demobilization costs are included in the asphalt pricing, so the unit price will increase as the total quantity of asphalt decreases.

The MTO AC price index for March 2023 is \$1,138.00/tonne compared to \$1,065.45/tonne in March 2022. The price index typically increases during the summer as well.

By taking these factors into consideration, Township staff believe the prices quoted to be fair value.

**Financial Impacts:**

The 2023 Capital Budget allocated \$400,000 for asphalt paving.

**Strategic Alignment / Link:**

The information provided in this report is consistent with and in keeping with the Municipality's Vision & Mission. The recommendations contribute to our goals in achieving a prosperous community that continues to grow in a sustainable manner by investing in infrastructure.

**Respectfully Submitted By:**

John Yungblut, Director of Public Works

**Approved By:**

Mary Rose Walden, Chief Administrative Officer