

Staff Report

Report To: City Council
Report From: Lauren Stewart, Purchasing & Claims Coordinator
Meeting Date: July 7, 2025
Report Code: CR-25-088
Subject: Award of City of Owen Sound Component of Grey County
Joint Tender RFT-TS-20-25 Milling and Hot Mix Asphalt
Paving

Recommendations:

THAT in consideration of Staff Report CR-25-088 respecting the Award of the City of Owen Sound Component of the Grey County Joint Tender RFT-TS-20-25 Milling and Hot Mix Asphalt Paving, City Council:

1. Awards the City's portion of the above-noted tender to Walker Construction Limited, the lowest compliant bid received for \$617,294.43, including the non-refundable allocation of HST; and
2. Directs staff to bring forward a by-law to authorize the Mayor and Clerk to execute the agreement.

Highlights:

- The City has approximately 282 lane kilometres of roads.
- The asphalt resurfacing program is a multi-year program that has received stable annual spending over the past several years.
- The City joined with Grey County for a joint Tender in anticipation of improved pricing for both parties.
- The overall condition vs. performance rating for the road network is scored a "B+". Annual road resurfacing funding is required to maintain this rating.

Strategic Plan Alignment:

[Strategic Plan](#) Priority: A City that Moves.

Climate and Environmental Implications:

This supports the objectives of the City's Corporate Climate Change Adaptation Plan by strengthening the resiliency of City infrastructure or services.

Previous Report/Authority:

[Report from the Manager of Engineering Services OP-25-006 Re: 2025-2026 Road Rehabilitation Locations](#)

Background:

In accordance with the City's Procurement of Goods, Services, Construction, and Consulting Policy (By-law 2020-002), the award of all purchases above \$250,000 must be approved by Council.

The County of Grey issued a joint tender to establish a contract for the Milling and Hot Mix Asphalt Paving at various locations, including the County of Grey and the City of Owen Sound.

The joint purchasing initiative provides competitive pricing based on the principle that increased committed quantities equate to lower unit rates. The initiative also reduces the internal burden on the City from developing a Tender for similar services.

This report has been drafted to provide Council with the necessary information to approve the City of Owen Sound Component of the Grey County Joint Tender.

Analysis:

The scope of work for this project includes the milling of the existing road surfaces, spot repairs of road base, line painting, and the application of a new road surface for approximately 3.14 kilometres of City roads.

The tender was posted on the County of Grey Bonfire purchasing webpage on May 13, 2025, and closed with four compliant bids received.

The bids received for the City's portion of the work, including the non-refundable allocation of HST, are as follows:

Company Name	Bid Price
Walker Construction Limited	\$617,294.43
E.C King Contracting	\$679,416.23
IPAC Paving Limited	\$703,268.12
MacDonnell Excavating Ltd.	\$980,234.75

The tender submission from Walker Construction Limited is the lowest compliant Bidder and is recommended for Tender Award by the County of Grey and the City.

Financial Implications:

The 2025 Road Rehabilitation Program was approved in the 2024-2028 Multi-Year Capital Plan for \$700,000 and is funded entirely by the Canada Community Building Fund.

The updated budget, based on the recommended bid submission, including the contingency allowance and the non-refundable allocation of HST, is as follows:

Description	Approved Budget	Forecasted Requirements	Difference
In-house Engineering	\$15,000	\$15,000	\$ -
Construction	\$635,000	\$606,618	\$28,382
Contingency	\$50,000	\$50,000	\$ -
Total	\$700,000	\$671,618	\$ 28,382

The surplus funds at the end of the project will be retained in the Canada Community Building Fund Reserve and will be utilized for potential over expenditures in future years or allocated towards another eligible project.

The unit pricing received through the Tender process shows variability, with some areas experiencing an increase, while others see a significant decrease

compared to previous years. Overall, the pricing is comparable to that of 2024.

Communication Strategy:

The above-noted Tender was posted on the County's Bonfire website on May 13, 2025, in compliance with the City's Purchasing By-law to be accessible to all potential bidders.

Consultation:

City Engineering Services and Grey County Engineering and Purchasing staff were consulted in the preparation of this report.

Attachments:

Capital Budget Detail Sheet – 25P.4 – Asphalt and Concrete Replacement

Recommended by:

Bradey Carbert, Manager of Corporate Services

Lauren Stewart, Purchasing & Claims Coordinator

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Bradey Carbert, Manager of Corporate Services at bcarbert@owensound.ca or 519-376-4440 ext. 1240.