

**MEETING DATE:** April 6, 2005

**SUBJECT:** Procurement Authorization – Asphalt Repairs And Maintenance

### **RECOMMENDATION**

It is recommended that the Commission authorize the award of a contract to IPAC Paving Ltd., in the upset limit of \$334,000.00, for the repair and maintenance of on-grade pavement at various Commission properties for a two-year term from May 1, 2005 to April 30, 2007.

### **FUNDING**

Sufficient funds have been included in the 2005 TTC Operating Budget to cover 2005 expenditures. Sufficient funds will also be included in the 2006 and 2007 TTC Operating Budgets as required.

### **BACKGROUND**

The Commission has a large number of on-grade paved areas including subway station and rapid transit station bus roadways, loops, yards, garages, carhouses and other facility pavements. Some of these pavements are well over 25 years old, thus exceeding their accepted economical life.

When subjected to roadway salt, heavy loading from buses and freeze-thaw cycles, these paved areas often develop extensive cracking and heaving and create tripping and liability hazards for both patrons and employees. Ongoing rehabilitative repairs and maintenance programs are required to ensure safe use for both pedestrians and traffic.

### **DISCUSSION**

Specifications were prepared for the repair and maintenance of asphalt pavement at various Commission properties. Ten companies were invited to submit proposals in addition to the public advertisement on the Commission's Web Site on January 20, 2005, out of which six companies submitted proposals, as summarized on the attached Appendix "A".

Proponents were required to submit pricing on all of the items on a list of 16 Asphalt Repair and Maintenance services and products with specified quantities for each year of a two-year contract term. The estimated quantities are based on historical usage and prices are to remain firm for the contract period.

Each Asphalt Repair and Maintenance Project is reviewed and estimated by Plant Maintenance staff. Following the staff review, the contractor then reviews and estimates the project utilizing the contracted unit prices and submits pricing to Plant Maintenance staff for their review and approval.

The lowest price proposal was submitted by IPAC Paving Limited based on the two-year estimated quantities and they provided pricing on all the items. A weighted average price comparison of the 16 items for the current contract pricing versus the Year 1 proposal pricing submitted by IPAC Paving Limited notes an 11.7% price reduction. IPAC Paving's Year 2 pricing is the same as their Year 1 pricing.

IPAC Paving Limited has been performing asphalt repairs and maintenance project work for the Commission since 2001 in a satisfactory manner.

IPAC Paving Limited did not take any exceptions/qualifications to the proposal document. The tender submitted by IPAC Paving Limited meets the specifications and is recommended for acceptance for an upset limit amount award of \$334,000.00, which includes an allowance of approximately 15% to cover variances between forecasted and actual usage over the two years of the contract.

All of the remaining submissions did not take any exceptions/qualifications and are considered acceptable, but their pricing is higher.

**JUSTIFICATION**

Continuation of the service for the repair and maintenance of on-grade asphalt pavement is necessary in order to maintain the safety and operation of all Commission properties.

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March 15, 2005  
6-238-75  
Attachment: Appendix "A"

**APPENDIX "A"**

**PROCUREMENT AUTHORIZATION –  
ASPHALT REPAIRS AND MAINTENANCE**

**SUMMARY OF PROPOSAL PRICING**

<b>COMPANY NAME</b>	<b>TOTAL PROPOSAL PRICE</b>
IPAC PAVING *	\$290,077.00 *
LUDWIG PAVING	\$367,928.25
CORE CAPITOL CONSTRUCTION	\$466,289.95
JACK GREEDY	\$488,865.00
EMPIRE PAVING	\$556,221.25
ASHLAND PAVING	\$633,904.00

\* Recommended for award

Engineers Estimate: \$430,000.00