



# MUNICIPALITY OF ARRAN-ELDERSLIE

STAFF REPORT

COUNCIL

June 14, 2021

SUBJECT: Brook Street West 2021 Construction

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## RECOMMENDATION:

**Be It Resolved,  
The Municipality of Arran-Elderslie postpone the 2021 Brook Street Construction till  
the 2022 Construction and Budget Year.**

Submitted by:

Scott McLeod (Public Works Manager)

Original Signed by

Christine Fraser-McDonald  
Acting Clerk

## BACKGROUND:

On May 20th, Cobide Engineering Inc. received four (4) tenders for the Brook Street West Storm Sewer Design project. Based on the, the lowest Tender received for the project which was submitted by Kurtis Smith Excavating. This Tender is approximately \$198,000 higher than the Municipality of Arran-Elderslie budget submitted for the project in the fall of 2020.

## COMMENTS:

In discussion with Travis Burnside from Cobide Engineering (see attached letter). Increases in constructions costs due to COVID-19, material shortages as well as increased labour costs due to additional safety measures contributed to the

tender price being higher than the estimate.

Travis is recommending that the Tender be cancelled for this year. Cancelling the project for this year and re-tendering early next year will allow for the municipality to budget for additional funds to complete the project and may also improve the chances of getting a better price.

#### **FINANCIAL/STAFFING/OTHER IMPLICATIONS:**

2021 Budget	\$416,000	(not including HST)
Engineer Estimate	\$574,990	(not including HST)
Lowest Tender	\$614,000	(not including HST)

#### **CONCLUSION:**

Staff recommend that the Municipality of Arran-Elderslie go with the recommendation from Cobide Engineering and postpone the 2021 Brook Street West Construction till the 2022 Construction and Budget Year.