



REPORT

TO: Mayor Lawlor and Members of Council

FROM: Mark Covert, Director of Public Works

DATE: April 2, 2025

REPORT NO.: TPW-2025-010

SUBJECT: Award of Contract - Micro Paving Program

RECOMMENDATION:

THAT Report No. TPW-2025-010 dated April 2, 2025, regarding the Award of Contract - Micro Paving Program, be received;

AND FURTHER THAT Duncor Enterprises Inc., be awarded a contract for the Town's Micro Paving Program for a period of up to five (5) years through participation with the Halton Co-operative Purchasing Group (HCPG);

AND FURTHER THAT the Manager of Purchasing be authorized to issue a purchase order in the amount of \$434,112.00 plus applicable taxes to Duncor Enterprises Inc. for an initial one-year contract term, with the option to renew the contract for up to four (4) additional one-year periods, subject to satisfactory performance, budget approval and price negotiation.

KEY POINTS:

The following are key points for consideration with respect to this report:

- Micro paving is a pavement preservation treatment utilized on the Town's rural road network.
- Purchasing Policy (PLCY-2022-0003), Section 11 allows the Town to join or participate with other government agencies and co-operative buying groups.
- Milton, on behalf of the Halton Co-operative Purchasing Group, issued a Request for Tender for the Joint Micro Paving Program that closed March 6, 2025.
- Duncor Enterprises Inc. was the lowest compliant bidder and has provided satisfactory micro paving services to the Town previously.

- Staff recommend award of a one (1) year contract in the amount of \$434,112.00 plus applicable taxes, with a possible four (4) additional renewal years.
- Based on current funding levels, the year one (1) award plus four (4) possible renewal years implies a total potential contract value of approximately \$2,500,000.

BACKGROUND AND DISCUSSION:

Micro paving is a pavement preservation treatment utilized on the Town’s rural road network. It employs a mixture of polymer-modified asphalt emulsion, aggregate, water, and additives to seal the road, improve ride quality, and provide a skid-resistant surface. The micro paving process is relatively quick with minimal disruption to motorists and allows traffic to return shortly after application.

Purchasing Policy (PLCY-2022-0003), Section 11 allows the Town to join or participate with other government agencies and co-operative buying groups. The Town of Milton issued Request for Tender 25-027 for the Joint Micro Paving Program on behalf of the Halton Co-operative Purchasing Group (HCPG). Milton, Burlington and Halton Hills participated in the Joint Micro Paving Program tender call.

The Request for Tender for the Joint Micro Paving Program closed March 6, 2025 and two (2) submissions were received. Duncor Enterprises Inc. was the lowest compliant bidder and Halton Hills’ portion of the bid amount is \$434,112.00 plus applicable taxes.

Vendor Name	Location	Bid Amount* (HST excluded)
Duncor Enterprises Inc	Barrie	\$434,112.00
Miller Paving Limited	Markham	\$462,840.00

Duncor Enterprises Inc. has provided micro paving services to the Town previously with positive results and staff recommend award of a one (1) year contract in the amount of \$434,112.00 plus applicable taxes. The Tender document also includes provisions for four (4) additional renewal years. The total value of this contract is anticipated to be approximately \$2,500,000 subject to future budget allocations and program requirements. Purchasing Policy (PLCY-2022-0003), Section 12, requires awards for Requests for Tenders over \$1 Million dollars including optional contract renewals be authorized by Council.

STRATEGIC PLAN ALIGNMENT:

This report identifies infrastructure and asset management as one of the Town’s Strategic priorities.

RELATIONSHIP TO CLIMATE CHANGE:

This report is administrative in nature and does not directly impact or address climate change and the Town's Net Zero target.

PUBLIC ENGAGEMENT:

Public Engagement was not needed as this report is administrative in nature.

INTERNAL CONSULTATION:

Finance and Purchasing were consulted and provided input into this report.

FINANCIAL IMPLICATIONS:

This report will be funded through an existing approved budget source.

Funding for year one (1) of this award will come from the approved 2025 capital project 6500-16-0105 Rural Road Micro-Surfacing.

The project costs for 2025 include \$20,000 for the capital chargeback used for internal cost reallocation, and \$434,112 plus 7,640.37 non-recoverable HST for micro paving treatment to restore and preserve the surface of rural roads. The total estimated project cost is fully covered within the approved budget.

Description	Amount
Previous balance	1,689
2025 approved budget	482,000
Total approved budget	483,689
Estimated Expenses	
Duncor Enterprises Inc.	434,112
Non-recoverable HST (1.76%)	7,640
Contract total	441,752
Capital chargeback	20,000
Total estimated expenses	461,752
Remaining budget	21,937

Reviewed and approved by,
 Bethany Yew, Manager of Purchasing
 Moya Jane Leighton, Treasurer
 Bill Andrews, Commissioner of Transportation & Public Works
 Damian Szybalski, Commissioner of Community Services and Chief Administrative Officer