

MUNICIPALITY OF CHATHAM-KENT
INFRASTRUCTURE AND ENGINEERING SERVICES
PUBLIC WORKS SOUTH

TO: Mayor and Members of Council
FROM: Pat Bruette, Director Public Works South
DATE: March 13, 2008
SUBJECT: T08-103 Supply and Place Gravel

RECOMMENDATIONS

It is recommended that:

1. The low tender of Southwestern Sales Corp for the per tonne unit price of \$16.64 for a revised quantity of 19,349 tonnes be approved in the amount of \$321,967 to supply and haul 100% crushed dolomite quarry stone 0-5/8" granular M for the Dover Division.
2. The low tender of Southwestern Sales Corp for the per tonne unit price of \$16.64 for a revised quantity of 25,678 tonnes be approved in the amount of \$427,281 to supply and haul 100% crushed dolomite quarry stone 0-5/8" granular M for the Chatham Township Division.
3. The low tender of Johnston Bros for the per tonne unit price of \$13.18 for a revised quantity of 22,236 tonnes be approved in the amount of \$293,070 to supply and haul 0-5/8" granular M for the Thamesville Division.
4. The low tender of Rene Blain Trucking Ltd for the per tonne unit price of \$15.73 for a quantity of 23,085 tonnes be approved in the amount of \$363,127 to supply and haul 0-3/4" limestone A for the Tilbury East Division.
5. The low tender of Huron Construction for the per tonne unit price of \$12.85 for a revised quantity of 28,682 tonnes be approved in the amount of \$368,563 to supply and haul 0-5/8" granular M for the Kent Centre Division.
6. The low tender of Rene Blain Trucking Ltd for the per tonne unit price of \$3.73 for a revised quantity of 30,007 tonnes be approved in the amount of \$111,926 to haul 0-5/8" granular M from the Harwich Gravel Pit for the Raleigh Division.

7. The low tender of Johnston Bros (Bothwell) Ltd for the per tonne unit price of \$2.89 for a revised quantity of 44,761 tonnes in the amount of \$129,359 to haul 0-5/8" granular M from the Harwich Gravel Pit for the Ridgetown Division.
8. The low tender of Johnston Bros (Bothwell) Ltd for the per tonne unit price of \$3.10 be accepted to haul and stockpile 0-3/4" granular A from the Harwich Gravel Pit for stockpile material.

BACKGROUND

On February 28, 2008, tenders were received for T08-103 Supply and Place Gravel. There were (7) seven tenders received.

When reviewing the tender results it was determined the overall cost to supply materials was 7% over budget. There were two areas with significant increases for local supply being Thamesville at 15% and Kent Centre at 12.9% based on the 2008 tender results. (Appendix A attached)

To balance the tender to the budget available, administration adjusted the recommended allocation table based on the application rate per kilometre. (Appendix B attached)

The table now reflects the 2008 actual prices per tonne for materials, an updated prorated budget allocation and a revised application rate per kilometre based on the new information. This table does not include the 1,000 tonnes of stockpile gravel for each division for a total of 7,000 tonnes.

COMMENTS

Based on the results of the tender, administration recommends Council approve the unit prices quoted in the tender and the revised quantities for each division to stay within budget. Therefore, Appendix B, the recommended stone tonnage and recommended gravel tonnages column would be the tonnes of material purchased for 2008.

COMMUNITY STRATEGIC PLAN

The recommendations in this report support the following objectives and strategic directions.

B: Economy – We are a prosperous community.

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities.

Desired Outcomes

- Advocate for essential provincial and federal investment and equitable tax policies to support financing and effective operation of sustainable transportation systems, and water, sewer and waste management services.

The recommendations will not adversely impact on the remainder of the Community Strategic Plan.

CONSULTATION

The General Manager of Infrastructure & Engineering Services (I&ES) and the Director of Public Works North were consulted due to the tender results exceeding budget and concur with the recommendations.

FINANCIAL IMPLICATIONS

The 2008 base gravel budget is as follows:

2008	\$2,620,888
+2007 Variance	24,186
+CPI	<u>107,456</u>
Total	<u>\$2,752,530</u>

The tender quantities have been reduced to equal the 2008 budget amount available.

Prepared by:

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Director Public Works South

Reviewed by:

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Attachment(s) Appendix A – Bid comparison & low bids for 2008
 Appendix B – Recommended allocation based on actual tenders

C: General Manager I&ES
 Director Public Works North

APPENDIX A

Supply and Place Gravel
Contract T08-103
Bid comparison and low bids for 2008

Bid Item	Year	Quantity	Dufferin Aggregated		Rene Blain Trucking Ltd		Southwestern Sales Corp		Sykes Trucking		Johnston Bros (Bothwell)		Huron Construction		Lafarge Canada	
			Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
DOVER TWP - Area 2A Dover Division; supply & haul 100% crushed dolomite quarry stone 0-5/8" granular "M"	2008	20,235	\$0.00	\$0.00	\$0.00	\$0.00	\$16.64	\$336,716.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$17.11	\$346,220.85
CHATHAM TWP - Area 2B Chatham Township Division; supply & haul 100% crushed dolomite quarry stone 0-5/8" granular "M"	2008	26,885	\$0.00	\$0.00	\$0.00	\$0.00	\$16.64	\$447,368.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$17.36	\$466,723.60
THAMESVILLE - Area 2C Thamesville Division; supply and haul 0-5/8" granular "M"	2008	24,705	\$13.35	\$329,811.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13.18	\$325,614.90	\$15.50	\$382,927.50	\$0.00	\$0.00
TILBURY EAST - Area 1A Tilbury East Division; supply and haul 0-3/4" limestone "A"	2008	23,085	\$0.00	\$0.00	\$16.73	\$386,127.05	\$17.79	\$410,682.15	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
KENT CENTRE - Area 1C Kent Centre Division; supply and haul 0-5/8" granular "M"	2008	31,860	\$13.20	\$420,552.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$14.74	\$469,616.40	\$12.85	\$409,401.00	\$0.00	\$0.00
RALEIGH - Area 1B Raleigh Division; haul 0-5/8" granular "M" from Harwich Gravel Pit	2008	33,345	\$0.00	\$0.00	\$3.73	\$124,376.95	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	2008	33,345	\$0.00	\$0.00	\$6.75	\$224,766.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
RIDGETOWN - Area 1D Ridgetown Division; haul 0-5/8" granular "M" from Harwich Gravel Pit	2008	46,575	\$0.00	\$0.00	\$3.25	\$151,368.75	\$0.00	\$0.00	\$0.00	\$0.00	\$2.89	\$134,601.75	\$0.00	\$0.00	\$0.00	\$0.00
	2008	46,575	\$0.00	\$0.00	\$6.75	\$314,531.25	\$0.00	\$0.00	\$0.00	\$0.00	\$8.75	\$407,531.25	\$0.00	\$0.00	\$0.00	\$0.00
All - Stockpile haul and stockpile 0-3/4" granular "A" from Harwich Gravel Pit to various locations within Chatham	2008	7,000	\$0.00	\$0.00	\$3.35	\$23,450.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3.10	\$21,700.00	\$0.00	\$0.00	\$0.00	\$0.00
	2008	7,000	\$0.00	\$0.00	\$8.75	\$61,250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8.75	\$61,250.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Quantity		213,690														
Total Price Per/T/Average		\$10.12														
ACTUAL TENDER TOTAL		\$2,162,896.35														
TOTAL PIT COST		\$760,550.00														
PST PIT @ 8%		\$60,844.00														
GRAND TOTAL		\$2,984,289.35														
Budget Total		\$2,728,344.00														
subtract Grand Total		\$2,984,289.35														
Variance		-\$255,945.35														

Represents low bid

Appendix B - Recommended allocation based on actual tenders

Area	km gravel	Budget	\$/tonne delivered	new tonnes	new tonne/km	Tender Quantity Tonnes	Prior tonnes/km	% reduction	Bid Amount
Dover	213	\$321,982	16.64	19,349.89	90.84	20,235.00	95.00	4.4	336,710
Chatham Twp	283	\$427,298	16.64	25,678.97	90.74	26,885.00	95.00	4.5	447,366
Thamesville	183	\$293,080	13.18	22,236.75	121.51	24,705.00	135.00	10.0	325,611
Ridgetown	345	\$521,021	11.64	44,761.21	129.74	46,575.00	135.00	3.9	542,132
KC	236	\$368,565	12.85	28,682.12	121.53	31,860.00	135.00	10.0	409,401
Raleigh	247	\$374,499	12.48	30,007.90	121.49	33,345.00	135.00	10.0	416,144
Tilbury	243	\$363,135	15.73	23,085.00	95.00	23,085.00	95.00	0.0	363,127
StockPile		\$82,950							
Total Budgets for garages & stockpile		\$2,752,530							
Total	1750	\$2,645,394		193,801.85	770.86	206,690.00	825.00	6.6	2,840,491.00
StockPile		\$82,950							
Inflation		\$107,456							
Supplementary request		\$0							
Base Budget		\$2,620,888							