

Municipality Of Chatham-Kent
Infrastructure and Engineering Services
Public Works

To: Mayor and Members of Council
From: Dennis Chepeka, Manager, Public Works North
Date: March 5, 2020
Subject: Tender Award: T20-103 Supply and Place Gravel

Recommendations

It is recommended that:

1. All tendered amounts be reduced proportionately by 6.5% to remain within current budgets.
2. The low tender of Rene Blain Trucking Ltd. for the per tonne unit price of \$24.65 be accepted for the supply and haul 20,200 tonnes of 100% crushed dolomite quarry stone 0-22 mm granular "A" for the Dover division.
3. The low tender of Rene Blain Trucking Ltd. for the per tonne unit price of \$24.04 be accepted for the supply and haul of 26,700 tonnes of 100% crushed dolomite quarry stone 0-16 mm granular "M" for the Chatham Township division.
4. The low tender of Johnston Bros. (Bothwell) Ltd. for the per tonne unit price of \$19.95 be accepted for the supply and haul of 17,100 tonnes of 0-16 mm granular "M" for the Thamesville division.
5. The low tender of Rene Blain Trucking Ltd. for the per tonne unit price of \$21.89 be accepted for the supply and haul of 3,000 tonnes of 100% crushed 0-22 mm granular "A" Limestone for the Wallaceburg division.
6. The low tender of Rene Blain Trucking Ltd. for the per tonne unit price of \$21.69 be accepted for the supply and haul of 22,800 tonnes of 100% crushed 0-20 mm Limestone "A" for the Tilbury division.
7. The low tender of Rene Blain Trucking Ltd. for the per tonne unit price of \$27.99 be accepted for the supply and haul of 23,500 tonnes of 0-16 mm granular "M" for the Raleigh division.

8. The low tender of Johnston Bros. (Bothwell) Ltd. for the per tonne unit price of \$21.50 be accepted for the supply and haul of 25,200 tonnes of 0-16 mm granular "M" for the Kent Center division.
9. The low tender of Johnston Bros. (Bothwell) Ltd. for the per tonne unit price of \$19.95 be accepted for the supply and haul of 29,200 tonnes of 0-16mm granular "M" for the Ridgetown division.

Background

There are 1,750 km of gravel roads throughout Chatham-Kent that require resurfacing on average every three to five years, depending on traffic volume and the maintenance demand of each road. In order to maintain the application of gravel on a three-year rotation, approximately 180,000 tonnes of granular material must be purchased and applied annually.

Between 1998 and 2016, the Ridgetown, Kent Centre, and Raleigh divisions were supplied with 83,000 tonnes of granular "M" annually from the Harwich Gravel Pit and more recently supplied with recycled material from Entegrus Power Corporation. These resources have been depleted and it was necessary to include the supply of the granular "M" for these three divisions within the 2020 Supply and Place Gravel tender.

The outcome was an average increase of \$4.64 / tonne over the previously contracted costs for these three divisions resulting in a budget deficit of \$246,000.00 for 2020.

Comments

Tenders were received for T20-103 Supply and Place Gravel on February 27, 2020. There were three (3) bids received for the supply and haul of 178,520 tonnes of granular "A" and "M" to the eight (8) Public Works divisions.

The results are attached as Appendix "A".

Based on the results, administration recommends the unit prices quoted in the tender be accepted. However, the inclusion of the three additional divisions combined with an overall inflationary increase in material and trucking costs will result in a budget deficit of \$246,000. In order to remain within the approved budget, the quantities for each division will need to be reduced proportionately by 6.5 percent.

The reduction of granular quantities will result in inability to resurface a total 36 km of road at our current level of service.

The results calculated with reduced quantities are attached as Appendix "B".

Areas of Strategic Focus and Critical Success Factors

The recommendations in this report support the following areas of strategic focus:

Economic Prosperity:

Chatham-Kent is an innovative and thriving community with a diversified economy

A Healthy and Safe Community:

Chatham-Kent is a healthy and safe community with sustainable population growth

People and Culture:

Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community

Environmental Sustainability:

Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendations in this report support the following critical success factors:

Financial Sustainability:

The Corporation of the Municipality of Chatham-Kent is financially sustainable

Open, Transparent and Effective Governance:

The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership

Has the potential to support all areas of strategic focus & critical success factors

Neutral issues (does not support negatively or positively)

Consultation

The Tenders were opened by the Purchasing Officer, and reviewed by the Manager of Public Works North, Infrastructure and Engineering Services.

Financial Implications

This project is being funded from the approved 2020 Lifecycle Gravel Budget.

If the quantities in each division are reduced proportionately by 6.5 percent, the financial implications are as follows:

Financial Implications – Reduced Quantities

Description	Total
A) Project Costs	\$3,823,250.00
Non- Recoverable HST	\$67,289.20
Total Project Costs	\$3,890,539.20
2020 Lifecycle Gravel Budget	\$ 3,892,482.00
Total Project Funds Remaining	\$1,942.80

Prepared by:

Dennis Chepeka
Manager, Public Works North

Reviewed by:

Ryan Brown, P.Eng.
Director, Public Works

Reviewed by:

Thomas Kelly, P. Eng., MBA
General Manager
Infrastructure and Engineering Services

Consulted and confirmed the content of the consultation section of the report by:

Jennifer Scherle, Purchasing Officer

Attachments: None

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Quotation Closed: February 27, 2020 at 1:30pm
 Project Number: T20-103
 Project: Supply and Place Gravel

Item	Estimated Quantity	Unit of Measure	Johnston Bros. (Thamesville) Limited			Rene Blain Trucking Ltd.			Jeff Shepley Excavating Ltd		
			Material	Trucking	Total	Material	Trucking	Total	Material	Trucking	Total
Dover Division: Supply and haul 100% Crushed Dolomite quarry stone 0-22mm Granular "A"	21,380	tonne	no bid	no bid	no bid	\$ 17.90	\$ 6.75	\$ 527,017.00	no bid	no bid	no bid
Chatham Township Division: Supply and haul 100% Crushed Dolomite quarry stone 0-16mm Granular "M"	28,330	tonne	no bid	no bid	no bid	\$ 18.15	\$ 5.89	\$ 681,053.20	no bid	no bid	no bid
Thamesville Division: Supply and haul 0-16mm Granular "M"	18,310	tonne	\$ 10.50	\$ 9.45	\$ 365,284.50	no bid	no bid	no bid	no bid	no bid	no bid
Wallaceburg Division: Supply and haul 100% Crushed Dolomite quarry stone 0-22mm Granular "A"	3,200	tonne	\$ 19.35	\$ 3.15	\$ 72,000.00	\$ 17.90	\$ 3.99	\$ 70,048.00	no bid	no bid	no bid
Tilbury East Division: Supply and haul 0-20mm Limestone "A"	24,390	tonne	no bid	no bid	\$ -	\$ 13.54	\$ 8.15	\$ 529,019.10	\$ 13.78	\$ 9.37	\$ 564,628.50
Raleigh Division: Supply and haul 0-16mm Granular "M"	24,710	tonne	no bid	no bid	\$ -	\$ 18.15	\$ 9.84	\$ 691,632.90	no bid	no bid	no bid
Kent Centre Division: Supply and haul 0-16mm Granular "M"	26,910	tonne	\$ 10.50	\$ 11.00	\$ 578,565.00	no bid	no bid	no bid	no bid	no bid	no bid
Ridgetown Division: Supply and haul 0-16mm Granular "M"	31,290	tonne	\$ 10.50	\$ 9.45	\$ 624,235.50	no bid	no bid	no bid	no bid	no bid	no bid
Subtotal	178,520				\$ 1,568,085.00			\$ 2,498,770.20			
HST					\$ 203,851.05			\$ 324,840.13			
Total Contract Price					<u>\$ 1,771,936.05</u>			<u>\$ 2,823,610.33</u>			

Comments:

it is recommended that

- 1) Johnston Bros. (Thamesville) be awarded Thamesville, Kent Centre & Ridgetown divisions
- 2) Rene Blain Trucking be awarded Dover, Chatham Township, Wallaceburg, Tilbury East and Raleigh divisions



Quotation Closed: February 27, 2020 at 1:30pm
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Item	Reduced Quantity	Unit of Measure	Johnston Bros. (Thamesville) Limited			Rene Blain Trucking Ltd.			Jeff Shepley Excavating Ltd		
			Material	Trucking	Total (Reduced)	Material	Trucking	Total (Reduced)	Material	Trucking	Total (Reduced)
Dover Division: Supply and haul 100% Crushed Dolomite quarry stone 0-22mm Granular "A"	19,990	tonne	no bid	no bid	no bid	\$ 17.90	\$ 6.75	\$ 492,760.90	no bid	no bid	no bid
Chatham Township Division: Supply and haul 100% Crushed Dolomite quarry stone 0-16mm Granular "M"	26,489	tonne	no bid	no bid	no bid	\$ 18.15	\$ 5.89	\$ 636,784.74	no bid	no bid	no bid
Thamesville Division: Supply and haul 0-16mm Granular "M"	17,120	tonne	\$ 10.50	\$ 9.45	\$ 341,541.01	no bid	no bid	no bid	no bid	no bid	no bid
Wallaceburg Division: Supply and haul 100% Crushed Dolomite quarry stone 0-22mm Granular "A"	2,992	tonne	\$ 19.35	\$ 3.15	\$ 67,320.00	\$ 17.90	\$ 3.99	\$ 65,494.88	no bid	no bid	no bid
Tilbury East Division: Supply and haul 0-20mm Limestone "A"	22,805	tonne	no bid	no bid	no bid	\$ 13.54	\$ 8.15	\$ 494,632.86	\$ 13.78	\$ 9.37	\$ 527,927.65
Raleigh Division: Supply and haul 0-16mm Granular "M"	23,104	tonne	no bid	no bid	no bid	\$ 18.15	\$ 9.84	\$ 646,676.76	no bid	no bid	no bid
Kent Centre Division: Supply and haul 0-16mm Granular "M"	25,161	tonne	\$ 10.50	\$ 11.00	\$ 540,958.28	no bid	no bid	no bid	no bid	no bid	no bid
Ridgetown Division: Supply and haul 0-16mm Granular "M"	29,256	tonne	\$ 10.50	\$ 9.45	\$ 583,660.19	no bid	no bid	no bid	no bid	no bid	no bid
Subtotal	166,916				\$ 1,466,159.48			\$ 2,336,350.14			
HST					\$ 190,600.73			\$ 303,725.52			
Total Contract Price					<u>\$ 1,656,760.21</u>			<u>\$ 2,640,075.65</u>			

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