

COMMITTEE OF THE WHOLE SEPTEMBER 29, 2009

AWARD OF TENDER CT-09-71 SUPPLY AND DELIVERY OF BULK SODIUM CHLORIDE

Recommendation

The Commissioner of Engineering & Public Works, in consultation with the Director of Purchasing Services, recommends:

1. That the pricing submitted by Sifto Canada Corp. through the Region of York for co-operative tender CT-09-71 be accepted, for the supply and delivery of sodium chloride (winter road salt) for a three year term 2009-2012 winter seasons; and,
2. That the Mayor and Clerk be authorized to sign the necessary documents.

Contribution to Sustainability

The City has an approved Salt Management Plan through which the annual amounts of salt are monitored and sent to Environment Canada for review.

The Public Works Department is committed to improving winter operations and continuing to ensure public safety by optimizing the use of winter maintenance materials, while striving to minimize negative impacts to the environment.

Economic Impact

The estimated value of the contract over its three year life is \$6,277,500 plus applicable taxes. On an annual basis, this translates to approximately \$2,092,500. The annual estimated quantity of salt to be delivered is 30,000 tonnes; however, that actual use will depend upon the severity of the winter season.

The approved 2009 Operating Budget provides \$2,520,670 for the purchase of winter de-icing materials, of which \$1,023,212 has been spent. It is important to note that this account not only is used to purchase road salt, but also funds the purchase of liquid salt brine, as well as approximately 10,000 tonnes of alternative de-icing materials.

Based on the remaining funds in the 2009 Operating Budget account for salt purchases, approximately 21,000 tonnes of salted-icing material can be obtained without exceeding the line item amount. This number of tonnes will not suffice to fully fill the domes prior to the start of the winter season. As such, this line item will most likely be overspent at the end of the year.

Communications Plan

N/A

Purpose

The purpose of this report is to award the co-operative tender CT-06-05 for the supply and delivery of bulk sodium chloride (winter road salt) to Sifto Canada Corp..

Background - Analysis and Options

The City has 4 salt storage domes, with an approximate total capacity of 24,000 tonnes. Salt storage domes are normally filled to capacity to start the winter season. This allows the City to obtain the best possible price for the de-icing materials, and provides assurance that should a number of early storms hit, there is sufficient material available to handle them. The domes are replenished continuously throughout the winter season to ensure sufficient materials are available to handle multiple storms.

In 2008-2009, almost 34,000 tonnes of sodium chloride was used to maintain the majority of the City's road and sidewalk network. In addition to the sodium chloride, over 10,000 tonnes of ClearLane (an alternative de-icing material), was used to maintain the road and sidewalk network in the Thornhill/Concord portion of the City. The total amount of de-icing material used was just over 44,000 tonnes.

Tender CT-09-71 for the Supply and Delivery of Sodium Chloride was advertised in the Daily Commercial News on August 21, 2009 and on Biddingo on August 19, 2009 by the Region of York on behalf of the York Public Buyers Co-operative. There were a total of 6 firms whom received the bid. The Bid closed on September 1st, 2009 and 1 bid was received from Sifto Canada Corp.

The following are the bid results:

Contractor	Delivery to the JOC Yard (excluding taxes and based on 2009-2010 winter season rates)	Delivery to Woodbridge Yard (excluding taxes and based on 2009-2010 winter season rates)
Sifto Canada Corp.	\$3,755,700.00	\$2,521,800.00

The Contract is for 3 years (2009-2010, 2010-2011 and 2011-2012 winter season). Bid unit prices are firm for the first year with an adjustment made on the second and third year based on the previous year's unit prices adjusted to the Consumer Price Index (CPI) not exceeding 3%. As in previous years, bidders were asked to provide an early fill rate for the supply and delivery of bulk sodium chloride (winter road salt) available for deliveries from September 1st to November 15th of each contract year. Sifto Canada Corp. did not provide a different early fill rate, therefore, the unit prices remain the same for the entire winter season.

In accordance with the recommendations made by the City's Operational and Compliance Auditor, this tender required, *"that the supplier be responsible for the loading and weighing of sodium chloride on a suitable government certified weigh scale to determine net weight measurement."* As such, Public Works staff will continue to spot check tractor trailer loads for weigh ticket accuracy to ensure the City receives the amount of material they are being billed for.

Alternative De-icing Materials and Methods

For the past six winter seasons (2002-2008) the City has used both sodium chloride (straight rock salt), and a modified salt product call "ClearLane", to maintain its roads and sidewalks during winter storms. ClearLane was chosen as an experimental de-icing agent due to its ease of use (pre-mixed), environmental benefits, its ability to provide de-icing abilities at temperatures lower than that of straight salt, and the fact that the residue is left to promote quick melting of subsequent snow/ice.

While there is a difference in the price per tonne comparing ClearLane to salt, ClearLane is applied at spread rates that are less than salt, and therefore, the cost per lane kilometer of roadway maintained is similar. Based on cost comparisons to date, the ClearLane product is the most economical, and requires no changes to the City's or contractors' fleet, or operations.

For the past two years, the Public Works Department has initiated a new program of anti-icing, whereby liquid salt brine is applied to selected section of dry pavement (bridge decks and areas with steep hills or sharp curves) prior to a winter storm starting. This pro-active measure not only provides increased road safety, but also reduces the overall amount of salt needed to maintain that section of road in a safe condition.

In accordance with the City's Salt Management Plan, staff will continue to seek out and evaluate other alternative de-icing materials and winter control initiatives to determine their overall effectiveness and cost, and report further to Council with any recommended changes for future de-icing practices.

Relationship to Vaughan Vision 2020/Strategic Plan

This report is consistent with the priorities previously set by Council, specifically the Goal of Service Excellence, and the Objective of Enhancing and Ensuring Community Safety, Health and Wellness.

Regional Implications

There are no implications to the Region as a result of this tender award, as the Region orders their own materials for their portion of the roads.

Conclusion

Based on the Co-operative Tender results, it is recommended that the price submitted by Sifto Canada Corp. through the Region of York' Co-operative Tender, be approved.

Attachments

N/A

Report prepared by:

Tina Di Biase
Technical Co-ordinator

Respectfully submitted,

Bill Robinson, P. Eng.
Commissioner of Engineering and Public Works

Brian T. Anthony, CRS-S, C. Tech
Director of Public Works