

COMMITTEE OF THE WHOLE - DECEMBER 7, 2010

TENDER AWARD - T10-453 FOR SUPPLY OF GRANULAR MATERIALS

Recommendation

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

1. That Tender T10-453, for the Supply of Granular Materials be awarded to Strada Aggregates Inc.; and,
2. The Mayor and Clerk be authorized to sign the necessary documents.

Contribution to Sustainability

Granular materials are used by the various divisions of the Public Works Department to repair and maintain City infrastructure, thereby contributing to sustainability, as well as public safety.

Economic Impact

The estimated annual cost of materials used by the various divisions in the Public Works Department is approximately \$267,950. The contract is for a 2 year period, expiring October 31, 2012. Over the life of this contract, the estimated value of this contract is approximately \$535,900; however, the actual contract value will vary, plus or minus, with the amount and specific types of granular materials supplied.

Sufficient funds to cover the purchase of the various types of granular materials are budgeted for in the Public Works Department's Operating Budget accounts.

Communications Plan

N/A

Purpose

The purpose of this report is to award tender T10-453 for the Supply of Granular Materials.

Background - Analysis and Options

The Public Works Department uses granular materials for the restoration of roads, sewer and water main trenches, and general maintenance purposes. Depending on the nature of the work to be performed and the quantity of materials required, materials are either picked up by City staff and equipment, or delivered to the job site by the supplier. The majority of materials are picked up by City forces or City hired vehicles. Therefore, the proximity of the bidder's pit or quarry to the City's Joint Operations Centre (JOC) and Woodbridge Yard were considered in the tender.

The tender required bidders to provide a unit price per metric tonne to supply and load various types of granular materials, as well as provide a list of pit/quarry locations where the material would be picked up from. The distance from the pits/quarries to the City's JOC and/or Woodbridge Yard, is important in order for staff to determine the total cost of the materials. As such, a standard cost factor is applied to the per unit prices to capture the cost of staff and equipment to pick up the materials from the various pits/quarries. Where the bidder may be required to deliver materials directly to a job site, they were required to provide such prices as a provisional item.

Tender T10-453 was issued on October 21, 2010, and was advertised in Vaughan Today (City Page), the Electronic Tendering Network, and the Ontario Public Buyers' Association website. The tender closed on November 9, 2010.

A total of five documents were picked-up from the Purchasing Services Department, and three bids were received. Upon review of the bid submissions, two bids were disqualified. The following is the results of the only compliant bid:

BID RESULTS FOR T10-453 SUPPLY OF GRANULAR MATERIALS	
CONTRACTOR	TOTAL ESTIMATED COST TO SUPPLY ONLY INCLUDING H.S.T.
Strada Aggregates Inc.	\$267,938.90 *

** Please note that the Preliminary Bid Results issued by the Purchasing Services Department on November 10, 2010, showed a total bid price of \$283,562.45. That total included the additional incremental cost factor of using City staff and equipment to pick-up and deliver the granular materials to the Joint Operations Centre and Woodbridge Yard. For that reason, there will be a discrepancy between the previously reported bid results, and the total shown above.*

Notwithstanding that Strada Aggregates Inc. is the sole compliant bidder, they are also the closest supplier at a distance of 0.6 km and 7.0 km from the City's JOC and Woodbridge Yard respectively.

Strada Aggregates has been under contract with the City for the past four years, and staff are satisfied with the prices and their past levels of service. Therefore, it is appropriate to award tender T10-453 to Strada Aggregates Inc..

Relationship to Vaughan Vision 2020/Strategic Plan

This report is consistent with the priorities previously set by Council and ties into the following Vaughan Vision 20/20 Goals and Objectives:

Goal: Service Excellence
Objective: Enhance and Ensure Community Safety, Health & Wellness

Goal: Management Excellence
Objective: Maintain Assets & Infrastructure Integrity

Regional Implications

N/A

Conclusion

There are sufficient funds allocated through the Operating Budget to cover the cost of granular materials used by the Roads, Water, and Wastewater Divisions; however, the actual contract value will depend upon the quantities used throughout the year.

Based on the bid prices submitted, it is recommended that the supply of granular materials be awarded to Strada Aggregates Inc., and the Mayor and Clerk be authorized to sign the necessary documents.

Attachments

N/A

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Respectfully submitted,

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Commissioner of Engineering and Public Works

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