

Staff Report to Council

Title: 2024 Maintenance Gravel
Tender

Report Number: Operations-2024-11

Director: Infrastructure &
Development

Manager: Operations

Meeting Date:
Wednesday, March 27, 2024

Date to be considered by Council:
Wednesday, March 27, 2024

Recommendation:

That Council award the 2024 Granular 'A' Gravel Tender OPS RFT 2024-14 to Johnston Bros. (Bothwell) Ltd for the tendered amount of \$368,625.60 (including non-recoverable HST).

Executive Summary:

The Infrastructure and Development Operations Department had advertised the following tender for the Supply, Load, Haul & Place Granular 'A' Gravel for the 2024 operating season: OPS RFT 2024-14 Granular 'A' Gravel: Budget Amount: \$370,000.00 Tender Amount Including HST Rebate: \$368,625.60

Strategic Priorities:

The Municipality is progressive in its efforts to maintain and build our infrastructure, its operational practices and managing finances.

D.16-Ensure the Municipality provides value for money and long-term sustainability

Financial Considerations:

The lowest tender price is within budget, with cost savings of \$1,374.40.

Policy:

GG 2.17 Purchasing and Procurement

Context and Background Information:

Bids for the 2024 Granular 'A' Gravel tender were opened on Thursday, March 7, 2024. Staff received three compliant bids for OPS RFT 2024-14 for Supply, Load, Haul and Place Granular 'A' Gravel. The bid results are as follows:

Vendor	Price Per Tonne	Total (excluding HST)
Johnston Bros. (Bothwell) Ltd.	\$17.25	\$362,250.00
Keith Snyder	\$18.95	\$397,950.00
Walker Ltd.	\$20.15	\$423,150.00

Staff are recommending the contract be awarded to the lowest bidder Johnston Bros. (Bothwell) Ltd.

The budget for 2024 maintenance gravel was approved at \$370,000. There was no need to reduce or adjust quantities as the bid was within the allotted 2024 budget for the Granular 'A' Gravel Tender. Total cost (including non-recoverable HST) of \$368,625.60, providing a budget savings of \$1,374.40.

Consultation Overview:

Johnston Bros. have supplied and delivered maintenance gravel for the Municipality for several years.

Origin:

2024 Operating Budget

Implementation Considerations:

Maintenace gravel is placed late spring/early summer.

Risk Analysis:

The unit price per tonne has increased from \$16.25 in 2023 to \$17.25 in 2024 for the same qualified bidder. This signifies a 6.15% increase of \$1.00 per tonne in 2024, and a significant increase in the last two years of 21% from \$14.24 in 2022 to \$17.25 in 2024.

Attachments: N/A

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