

The Corporation of the City of Kawartha Lakes

Council Report

Report Number PUR2019-038

Date: September 24, 2019

Time: 1:00 p.m.

Place: Council Chambers

Ward Community Identifier: All

Title: Request for Quotation 2019-61-OQ Supply and Operation of Plow Trucks for Winter Maintenance of Secondary Roads

Author and Title: Marielle van Engelen, Buyer

Oliver Vigelius, Manager, Roads Operations

Recommendation(s):

That Report PUR2019-038 Request for Quotation 2019-61-OQ Supply and Operation of Plow Trucks for Winter Maintenance of Secondary Roads, be received;

That Marquis Snow & Ice Ltd., be awarded the following winter maintenance areas: Woodville, Kirkfield and Mariposa, for an initial contract term of two years, for a total estimated contract value for the 2019/2020 winter season of \$138,250.00;

That Fairview Trucking Inc, be awarded the following winter maintenance areas: Sturgeon Point, Sturgeon North Shore and Thurstonia/Pleasant Point, for an initial contract term of two years, for a total estimated contract value for the 2019/2020 winter season of \$248,500.00;

That two (2) – one (1) year optional terms be awarded, subject to vendor performance review, annual City of Kawartha Lakes Council budget approval and mutual consent of both parties; and

That subject to receipt of the requested documents, the Mayor and Clerk be authorized to execute the contract;

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

Request for Quotation 2019-61-OQ Supply and Operation of Plow Trucks for Winter Maintenance of Secondary Roads, was released for advertising in accordance with the purchasing policy.

Pricing was requested for the following winter maintenance areas:

- Norland
- Long Beach
- Rosedale
- Woodville
- Kirkfield
- Mariposa
- Fenelon Falls
- Sturgeon Point
- Sturgeon North shore
- Thurstonia/Pleasant Point

The quotation closed on July 25, 2019 and was opened in a public meeting by Pat Dunn, Councilor and Marielle van Engelen, Buyer, with the following results:

| Company | Routes | Amount Read at Public Opening |
|--|----------------------------|-------------------------------|
| Fairview Trucking Inc. | Sturgeon Point | \$5,310.00 |
| | Sturgeon North shore | \$5,310.00 |
| | Thurstonia /Pleasant Point | \$13,075.00 |
| Marquis Snow and Ice Ltd. | Woodville | \$6,680.00 |
| | Kirkfield | \$1580.00 |
| | Mariposa | \$4,765.00 |
| W.G. Jackett & Sons Construction Limited | Sturgeon Point | \$10,019.50 |
| | Sturgeon North Shore | \$10,019.50 |
| The Imrie Group | Woodville | \$8,825.00 |
| | Kirkfield | \$760.00 |

During the evaluation The Imrie Group was found to be non-compliant with the requirements of the quotation and as per the Purchasing Policy they were disqualified.

The quotation amount read at public opening was the sum of the unit prices of one circuit of each type of winter service: plow only, plow and sand, plow and salt, salt only and sand only.

It was determined prior to the opening and stated at the public opening that the contract value would be based on fifty (50) circuits using the plow and sand per circuit unit price.

After the evaluation of the submissions, the City requested pricing from the three (3) compliant bidders for the winter maintenance areas that were not quoted on which included Norland, Long Beach, Rosedale, and Fenelon Falls. The quotations received for these locations were determined to be over the operating budget therefore it was not recommended to award these locations.

When this pricing was added to the originally bid items, it increased the total cost to service these secondary roads for the winter season by \$174,000 over the amount budgeted for this work (representing a 43% budget increase).

Rationale:

All of the routes included in this quotation call are locations where a City tandem axle plow truck will not fit or be able to turn around at the end of the route. These are smaller “cottage” type roads (comprised of assumed, unassumed and private roads) where standard City equipment will not readily fit. Subsequently these routes are tendered out through a competitive procurement process; the results of which are detailed herein.

Staff recommends that Marquis Snow & Ice Ltd., be awarded the following winter maintenance areas: Woodville, Kirkfield and Mariposa for a total estimated contract value for the 2019/2020 winter season of \$138,250.00; and that Fairview Trucking Inc, be awarded the following winter maintenance areas: Sturgeon Point, Sturgeon North Shore and Thurstonia/Pleasant Point for a total estimated contract value for the 2019/2020 winter season of \$248,500.00.

The initial term of the contract is for two (2) years with the option to renew for two (2) – one (1) year terms. All contract renewals are subject to vendor performance review, annual City of Kawartha Lakes Council budget approval and mutual consent of both parties. Pricing is firm for the first winter season of the contract, and subsequent years, including renewals, will have a unit price increases based on the annual percentage change in the consumer Price Index, Ontario, All-Items, up to a maximum of 3% (three percent).

Other Alternatives Considered:

No other alternative is being considered as a competitive procurement process was conducted and the lowest quotations are being recommended for award from the original call for quotation.

Financial/Operation Impacts:

A cost comparison between the supplied subsequent pricing (requested after the initial quotation submission) and potential internal resources, revealed that the hiring of one (1) additional Seasonal Roads Labourer and the use of one (1)- one ton pick-up truck with plow and sander would meet the legislated and service needs of the routes in question (i.e. Norland, Long Beach, Rosedale, and Fenelon Falls) with only an increase of \$37,000 over the amount budgeted for this work (representing a 9% increase), achieving a cost avoidance of \$137,000.

In order to achieve this savings, Staff have submitted a request to the Chief Administrative Office to hire one (1) additional Seasonal Roads labourer and the use of a one (1) – one ton pick-up truck with plow and sander for the term of this contract. The truck will be an incremental request to the fleet inventory as approved under the Fleet Policy. For the 2019-2020 season Staff plan to use a retired patrol truck which was scheduled to go to auction and perform additional repairs for this season.

Relationship of Recommendation(s) To The 2016-2019 Strategic Plan:

The proposed course of action detailed in this report aligns with the strategic plan by encouraging “A Vibrant and Growing Economy” by enabling winter transportation within the City.

Consultations:

Manager, Roads Operations - West Maintenance Area
Manager, Roads Operations - East Maintenance Area

Attachments:

None

Department Head E-Mail: brobinson@kawarthlakes.ca

Department Head: Bryan Robinson, Director of Public Works

Department File: 2019-61-OQ