

Council Report

Report Number: PUR2021-009

Meeting Date: May 18, 2021

Title: 2021-42-OQ Request for Quotation Supply and Delivery of Road Patching Material

Description:

Author and Title: Marielle van Engelen, Buyer
Richard Monaghan, Senior Engineering Technician

Recommendation(s):

That Report PUR2021-009, Request for Quotation 2021-42-OQ Supply and Delivery of Road Patching Material, be received;

That Request for Quotation 2021-42-OQ Supply and Delivery of Road Patching Material be awarded to Black Armour Asphalt Products Inc, for the supply and delivery of high performance road patching material for all Public Works Areas for an estimated annual cost of \$151,575.00 not including HST; and

That Coco Paving Inc., be awarded the supply and delivery of hot mixed, cold placed road patching material for all Public Works Areas for an estimated annual cost of \$248,662.50 not including HST, and

That Council authorize the option to renew the contract, including unit price adjustments subject to Consumer Price Index (CPI), for an additional four (4) – one (1) year terms based on annual budget approval, mutual agreement and successful completion of the initial term and each term thereafter; and

That subject to receipt of the required documents the Mayor and Clerk be authorized to execute the agreements.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

Request for Quotation 2021-42-OQ Supply and Delivery of Road Patching Material was released for advertising in accordance with the City's Purchasing Policy. The quotation closed on Thursday, April 15, 2021 with the following results:

Company Name	Public Works Area	Hot mixed Cold Placed	High Performance Material
Black Armour Asphalt Products Inc.	North West		\$38,700.00
	North East		\$38,700.00
	South West		\$38,700.00
	South East		\$35,475.00
Coco Paving Inc.	North West	\$65,450.00	\$42,000.00
	North East	\$59,500.00	\$42,000.00
	South West	\$71,400.00	\$42,000.00
	South East	\$52,312.50	\$37,125.00
Drain Brothers Excavating Limited	North West	\$85,167.50	\$49,260.00
	North East	\$74,725.00	\$47,640.00
	South West	\$89,460.00	\$47,535.00
	South East	\$64,597.50	\$42,047.50
Lakeside Landscaping Inc.	North West		\$65,550.00
	North East		\$65,550.00
	South West		\$65,550.00
	South East		\$60,087.50

In accordance with the Purchasing Policy, approval by Council is required when the recommendation to award encumbers future operating budgets.

Quotations were checked for mathematical errors and compliancy to the quotation. References were checked and found to be satisfactory.

Rationale:

Public Works Areas are awarded by the lowest compliant bid provided for the supply and delivery of each type of road patching material. Respondents were able to bid on one or all areas for both hot mixed cold placed or high performance patching material.

Selected respondents will be compensated for services/material as per the unit pricing in their submission. The award is only an estimated annual cost, the actual cost will be dependent on the type of material and how often it is provided.

Staff recommends that Request for Quotation 2021-42-OQ Supply and Delivery of Road Patching Material be awarded to Black Armour Asphalt Products Inc, for the supply and delivery of high performance road patching material for all Public Works Areas for an estimated annual cost of \$151,575.00 not including HST and Coco Paving Inc., for the supply and delivery of hot mixed cold placed road patching material for all Public Works Areas for an estimated annual cost of \$248,662.50 not including HST.

The initial term of the contract is for one (1) year, date of award to December 31, 2021., with the option to renew the contract for an additional four (4) one (1) year periods based upon annual budget approval, mutual agreement and successful completion of the initial term and each term thereafter. Annual increase will be applied to the unit pricing based on the annual percentage change in the Consumer Price Index (CPI), Ontario – All-Items, up to a maximum of three percent (3%). The estimated cost for the full five (5) year term of the contract, based on an estimated annual CPI increase of three percent, is estimated to be \$2,124,915.24. Material is on an as required basis.

Other Alternatives Considered:

No other alternative is being considered, as a competitive procurement process was conducted and any deficit will be reported through the year end surplus/deficit report.

Alignment to Strategic Priorities

This purchase aligns with the Strategic Plan under the Good Government – Asset Management by ensuring municipal assets are well maintained and well managed. The materials involved in this purchase are used by the Public Works Department to repair road defects that extends the service life of the road and allows the City to maintain compliance with O. Reg. 239/02: Minimum Maintenance Standards for Municipal Highways.

Financial/Operation Impacts:

Funds for the supply and delivery of road patching material was approved in the 2021 Roads Operating budget. This work is on an as required basis and the Department will monitor the budget to ensure that adequate funds are available for this work. The Department will also ensure that the required funds are incorporated in subsequent annual Public Works Roads operating budgets.

Department Head email: brobinson@kawarthalakes.ca

Department Head: Bryan Robinson, Director of Public Works

Department File: 2021-42-OQ