



Council Report

Report Number: PUR2022-017
Meeting Date: May 17, 2022
Title: 2021-50-OQ Supply and Delivery of Propane within Kawartha Lakes
Author and Title: Kristy Wilson, Junior Buyer

Recommendation(s):

That Report PUR2022-017, **2021-50-OQ Supply and Delivery of Propane within Kawartha Lakes**, be received;

That Highlands Propane Inc., be awarded 202150-OQ Supply and Delivery of Propane within Kawartha Lakes for the quoted amount of \$322,633.36, plus HST for the first year of the contract;

That four (4) additional, one (1) year terms be awarded based on satisfactory performance, mutual agreement and successful completion of the original term;

That subject to receipt of the required documents, the Mayor and Clerk be authorized to execute the agreement to award this quotation.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

There are forty-two (42) buildings that require bulk propane and seventeen (17) locations that require propane cylinders within the City.

In March 2021, a prequalification process was completed that prequalified five Suppliers to bid on a future request for quotation for the supply and delivery of propane. References were checked as part of the prequalification process.

The Procurement Division released Request for Quotation 2021-50-OQ Supply and Delivery of Propane within Kawartha Lakes in accordance with the Purchasing Policy. The quotation December 9, 2021 and was opened by Launa Macey, Supervisor of Procurement, with the following results:

Company Name	Estimated Cost (less HST)
Highlands Propane Inc.	\$322,633.36
T.B.G. Fuels Ltd.	\$340,052.40
Parkland Corporation	\$360,145.56
British Empire Fuels	\$537,672.92

Submissions were checked for mathematical errors and compliance to the quotation.

Highlands Propane Inc. was found to be the lowest compliant submission for all locations and the tank rental was included in the per litre price.

The City has the right to add or remove locations throughout the contract.

Estimated Annual Consumption (Litres) was used for this Quotation.

Rationale:

Staff recommends that Highlands Propane Inc. be awarded the project for the estimated quoted price (including provisional items if applicable) of \$322,633.36 not including HST for a term of one (1) year.

After the initial season, pricing will be locked in on October 1st using the Pembina prices.

Other Alternatives Considered:

No other alternative is being considered as a competitive procurement process was conducted.

Alignment to Strategic Priorities

This report address Good Government – through asset management by ensuring municipal assets are well managed.

Financial/Operation Impacts:

Sufficient Funds for 2021-50-OQ Supply and Delivery of Propane within Kawartha Lakes are available within the 2022 Operating Budgets for various departments. The Departments will monitor the budget to ensure there are adequate funds.

The various departments will ensure that the required amounts be incorporated into the subsequent annual operating budgets.

Consultations:

Deputy Fire Chief
Parks, Recreation & Culture Supervisors
Public Works – Roads Operations Supervisors
Building & Property - Facility Management Operations Supervisor
KLH Housing Corp – Manager, Building & Properties
Public Works – Solid Waste Division Supervisor
Paramedic Services – Deputy Chief of Operations

Department Head email: jstover@kawarthalakes.ca

Department Head: Jennifer Stover

Department File: 2021-50-OQ