



TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MONDAY, FEBRUARY 3, 2014
FROM:	JOHN BRAAM, P.ENG MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT	TENDER 13-113 GRANULAR MATERIALS – AREA “A” AND AREA “B”

RECOMMENDATION

That on the recommendation of the Managing Director, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to Tender 13-113 Granular Materials:

- a) That the bid submitted by Demar Aggregates., 358 Horton Street East., London, Ontario N6B 1C7 at their tendered annual price of \$443,204.50, HST extra, for Area “A” (north half of the City **BE ACCEPTED**,
- b) That the bid submitted by Aaroc Aggregates Ltd., 31 Exeter Rd., London, Ontario N6L 1B6 at their tendered annual price of \$526,618.90, HST extra, for Area “B” (south half of the City **BE ACCEPTED**,
- c) The term of the contract would be for a period of two (2) years with an option to renew the contract for a further two (2), one (1) year periods.
- d) That Civic Administration **BE AUTHORIZED** to undertake all of the administrative acts that are necessary in connection with this contract;
- e) That approval hereby given **BE CONDITIONAL** upon the Corporation entering into formal contract or issuing purchase orders or contract record relating to these matters of this approval.

BACKGROUND

Purchasing Process

Five (5) bids were received as a result of this tender call November 8, 2013 as summarized in Appendix “A” attached.

For the purpose of evaluating this tender, the trucking costs and tendered prices were factored in based on the material supplier’s geographical location with respect to a predetermined point. Demar Aggregates for Area “A” and Aaroc Aggregates Ltd. for Area “B” were the low bids meeting the City’s terms, conditions, specification and predetermine location point.

Purpose

Tender 13-113 was prepared seeking competitive pricing for the supply and loading of granular material onto City owned, City hired trucks, or the supply and delivery of granular material by the material supplier to designated locations. Granular materials purchased through this tender supports the Transportation and Roadside Operations Division’s annual maintenance programs and the construction Administration Division’s, Annual Road Reconstruction Program (ARRP).

Financial Impact

Funding for this project has been provided for in the proposed 2014 Operating Budget.

There are no anticipated additional operating costs associated with this project.

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Acknowledgements

This report was prepared by Geoff Smith, Procurement Officer of Purchasing and Supply.

SUBMITTED BY:	RECOMMENDED BY:
JUSTIN LAWRENCE DIVISION MANAGER – CONSTRUCTION ADMINISTRATION	JOHN BRAAM, P.ENG. MANAGING DIRECTOR ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
REVIEWED AND CONCURRED BY:	
MIKE TURNER DEPUTY CITY TREASURER	