



TOWNSHIP OF NORTH HURON

REPORT

Item No.

REPORT TO: Reeve Vincent and Members of Council
PREPARED BY: Sean McGhee
DATE: 07/05/2018
SUBJECT: Maintenance Gravel Tender
ATTACHMENTS:

RECOMMENDATION:

THAT the Council of the Township of North Huron hereby receive the report of the Director of Public Works, dated May 7th, 2018 regarding the procurement of maintenance gravel for 2018 for information;

And Further That the contract for the crushing, hauling, and spreading of maintenance gravel in the Township of North Huron for 2018, in the amount of \$111,375.00 plus applicable taxes be awarded to Joe Kerr Limited.

EXECUTIVE SUMMARY

The Public Works department annually secures bids for the supply and application of maintenance gravel which is applied to rural roads throughout the East Wawanosh Ward. Approval was granted at the regular meeting of Council held on April 3rd, 2018 to proceed with the procurement process for the delivery of this service. A Tender was released to which only one response was received.

DISCUSSION

The tender was released requesting pricing for the service over a two-year period with separate pricing requested for 2018 and 2019 operating years.

Joe Kerr Limited was the sole respondent to the Tender and provided a 2018 price of \$2.⁰⁶ per tonne for crushing services and an additional \$2.⁸⁹ per tonne for loading, hauling, and spreading of aggregate to the south of Belgrave Road. The total tonnage for maintenance gravel for 2018 is estimated at 22,500 tonnes.

The 2019 pricing for areas north of Belgrave Road was received at \$2.06 per tonne for crushing and \$3.39 per tonne for hauling and application. As the estimated total aggregate required for the north portion of the Township was less, at 20,000 tonnes, the total price was \$109,400 plus applicable taxes.

Renewal of the contract for year two is conditional on 2019 budget approval for maintenance gravel.

FINANCIAL IMPACT

The funds associated with this request are included in the 2018 Operating Budget for Public Works.

FUTURE CONSIDERATIONS

This item is an annually recurring cost associated with the maintenance and upkeep of North Huron gravel roads.

RELATIONSHIP TO STRATEGIC PLAN

This project relates to **Goal No. 4** of the Strategic Plan in that the administration is fiscally responsible and strives for operational excellence,



Sean McGhee, Director of Public Works



Dwayne Evans, CAO