



The Corporation of the Municipality of Arran-Elderslie

Staff Report

Council Meeting Date: March 13, 2023

Subject: SRW.23.04 2023 Supply and Apply Gravel Tender

Report from: Scott McLeod, Public Works Manager

Appendices: None

Recommendation

Be It Resolved that Council hereby;

1. Award the 2023 Supply and Apply tender contract to Walker Industries for a total cost of \$595,285 inclusive of taxes;
2. That 7,900 tonne of A-gravel and 18,000 tonne of 7/8 quarry with a total cost of \$482,937.98 be financed from account #01-2516-4328 Gravel-Contracts Resurfacing;
3. That 3,600 tonne of A-gravel at a total cost of \$53,134.97 be financed from account 21-TRANS-0002 Sideroad #15 Roadway; and
4. That the award of the 2023 Supply and Apply Gravel Tender be given pre-budget approval.

Report Summary

The intent of this report is to obtain Council approval to award the 2023 Supply and Apply Gravel Tender to Walker Industries.

Background

The gravel roads in Arran-Elderslie receive a lift of new aggregate every spring prior to calcium placement. In 2018, the Municipality started to implement Quarry gravel on rural roads that had gravel quality issues and each year the quarry gravel amounts have been increased to slowly cover the higher volume gravel roads with a quarry base. This has resulted in a significant decrease in the complaints received regarding the state of our gravel roads.

The following ratios have been applied year over year to facilitate the transition:

Material	2018	2019	2020	2021	2022
Quarry	5,000 tonne	10,000 tonne	14,000 tonne	17,100 tonne	17,800 tonne
A-Gravel	22,000 tonne	18,000 tonne	14,000 tonne	10,900 tonne	7,900 tonne

Analysis

The tendered quantities for 2023 were as follows:

- A – Gravel - 7900 tonne for maintenance aggregate
- A – Gravel – 3600 tonne for the 15 Sideroad Construction Project
- 7/8 Quarry Stone – 18,000 tonne for maintenance aggregate

Staff included the necessary tonnage for the 15 Sideroad Construction project in the annual tender amount to realize a better cost when included in the bulk purchase.

The following bids were received:

Contractor	A-Gravel/tonne (Incl. HST)	Total Bid (Incl. HST)	7/8 Quarry/tonne Incl. HST)	Total Bid (Incl. HST)
Walker Industries (HSC)	\$16.39	\$188,485.00	\$22.60	\$406,800.00
E.C. King Construction	\$22.60	\$227,470.00	\$25.71	\$416,707.49
Joe Kerr Ltd				
Bridge Excavating				

After reviewing the results, Staff recommend that the contract be awarded to Walker Industries (HSC) for the 2023 Supply and Apply of maintenance aggregate.

Link to Strategic/Master Plan

6.1 Protecting Infrastructure, Recreation and Natural Assets

6.4 Leading Financial Management

Financial Impacts/Source of Funding/Link to Procurement Policy

The total cost of the tender award is \$595,285 inclusive of taxes. The following figures are net of the HST rebate that the Municipality is eligible to receive.

The A-Gravel and 7/8 Quarry being used for maintenance purposes has a total cost of \$482,937.98 and would be financed from account 01-2516-4328, Contract-Resurfacing with a budgeted amount of \$492,500.

The 3600 tonne of A-Gravel tendered for the 15 Sideroad Construction project has a total cost of \$53,134.97 and would be finance from the capital project account, 21-TRAN-0002 Sideroad #15 Roadway with a total budget amount of \$730,000.

Approved by: Sylvia Kirkwood, Chief Administrative Officer