



Item
Meeting 2016 Jun 27

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2016 June 22

FROM: DIRECTOR FINANCE **FILE:** 5820-20
Reference: 78-05/12

SUBJECT: CONTRACT EXTENSIONS - SUPPLY OF ASPHALT

PURPOSE: To obtain Council approval to award extensions to three contracts for the supply of asphalt.

RECOMMENDATION:

1. **THAT** Council approve one year contract extensions for the supply of asphalt to the following companies: Winvan Paving Ltd., B.A. Blacktop Ltd., and Columbia Bitulithic, a Division of Lafarge Canada Inc., as outlined in this report. Final payment will be based on the actual quantity of material ordered and unit prices as quoted. Estimated total annual cost of \$725,000 including taxes in the amount of \$77,600.

REPORT

In 2012 May, the City received six submissions in response to a Request for Quotation for the supply of asphalt. One year contracts for the supply of hot mix asphalt, with the option of four one year extensions at the discretion of the City, were awarded to three vendors: Winvan Paving Ltd., B.A. Blacktop Ltd., and Columbia Bitulithic, a Division of Lafarge Canada Inc. In addition, the delivery of cold mix asphalt was awarded under the same terms and conditions to Columbia Bitulithic.

The work of these contracts include the delivery of cold mix asphalt to a City storage yard, and the pick-up by City trucks of hot mix asphalt at the suppliers' respective plants. Having multiple sources of supply with individual suppliers located in close proximity to the various jobsites has a positive effect on costs and operational productivity.

It is recommended that Council approve the extension of the three contracts, each for a one year period from 2016 July 01 to 2017 June 30 for the fourth and final extension period. The Purchasing Manager and Manager Public Works Operations concur with this recommendation.

Funding for this requirement is provided within various operating and capital accounts in the 2016 – 2020 Annual Financial Plan.

A handwritten signature in cursive script, appearing to read "Denise Jorgenson".

Denise Jorgenson
DIRECTOR FINANCE

GC:ML/kh

Copied to: Director Engineering