

**TO:** MAYOR & COUNCILLORS  
**FROM:** DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER  
**SUBJECT:** **CE – ASPHALT SUPPLY**  
**PURPOSE:** To obtain Council approval to award a Contract Extension (CE) for asphalt supply.

## **RECOMMENDATION**

**THAT** a one-year contract extension to BA Blacktop Ltd., for an estimated cost of \$633,000 including GST & PST in the amount of \$67,821 as outlined in the Council Report titled “CE – Asphalt Supply” dated for April 29, 2024 be approved; and,

**THAT** final payment will be based on the actual quantity of goods and services delivered and payment rates as submitted.

## **1.0 POLICY SECTION**

The City’s Change Order Policy requires Council’s approval for change orders, which individually or when accumulated with prior change orders, increases the total value of the contract by \$1,000,000.

## **2.0 BACKGROUND**

Following a Request for Quotation (RFQ) on March 9, 2023, the City awarded a contract to BA Blacktop Ltd., in the amount of \$620,000 including GST & PST in the amount of \$66,429. The contract was for a one-year period from May 1, 2023 to April 30, 2024 with options of up to four individual one year extensions at the sole discretion of the City.

The requirement is for the delivery of cold mix asphalt and pickup of hot mix asphalt by City Roads Operations crews on an as and when required basis to maintain City streets.

## **3.0 GENERAL INFORMATION**

This recommendation is for a one-year contract extension for the period May 1, 2024 to April 30, 2025 for an estimated cost of \$633,000 including GST & PST in the amount of \$67,821. The total estimated contract value is \$1,253,000 including GST & PST in the amount of \$134,250. BA Blacktop Ltd., has advised of a 2% increase due to higher operational costs. Review by City staff indicates this is in line with current market conditions and that BA Blacktop Ltd. has the capability to successfully complete the work required under this contract.

The General Manager Engineering concurs with this recommendation.

<b>Contract History</b>	<b>Date</b>	<b>Accumulative Total Change (including GST &amp; PST)</b>
Original Contract Award	May 2023 – April 2024	\$ 620,000
Contract Extension	May 2024 – April 2025	\$633,000
<b>TOTAL</b>		<b>\$1,253,000</b>

**4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT**

The RFQ #47-02-23 (Attachment 1) was publicly advertised. Upon closing, the City received a total of four submissions.

**5.0 FINANCIAL CONSIDERATIONS**

Funding for this operating work is included in the 2024 – 2028 Financial Plan under various operating accounts.

Respectfully submitted,

Noreen Kassam, Deputy Chief Administrative Officer and Chief Financial Officer

**ATTACHMENTS**

Attachment 1 – RFQ 47-02-23

**REPORT CONTRIBUTORS**

This report was prepared by Mike Libonati, Senior Buyer and reviewed by Robyn Tegart, Senior Manager Purchasing – Operations.