

*Request for Decision United Townships of Head, Clara & Maria Council*

Type of Decision									
Meeting Date	Thursday, August 15, 2019				Report Date	Friday July 26, 2019			
Decision Required	X	Yes		No	Priority	X	High		Low
Direction	X	Information Only			Type of Meeting	X	Open		Closed
Report #15/08/19/1002- Winter Maintenance Contract									

**SUBJECT:** To formalize contract awards for plowing/ winter maintenance tenders.

**RECOMMENDATION:**

Award the 2019-2022 winter maintenance contract to Pat Stewart Trucking.

**BACKGROUND/EXECUTIVE SUMMARY:**

The procurement by-law has been followed, with tenders two received, opened and graded. As stated in the municipal procurement by-law and the tender documents, price is not the only component to be considered when making an appropriate contract award. A grading system has been created as per the procedure by-law and advertised to the bidders with the tender package which considers other aspects of the contract other than just price. All bidders were given the attached sheet listed as Schedule “D” in their bidder documents outlining how bids were to be evaluated. Scoring sheets were completed independently by two members of staff have been included for your information using the information received within the tenders.

Price, although important, is only one component of the tender application, and is discussed below under Financial Considerations. Other important factors include references, experience, age and condition of equipment, access to sand, and proximity to our municipality.

No references or experience were listed in Michael Lance’s application. Pat Stewart Trucking has been plowing this municipality’s roads for 12+ years (that I can pull from file). From my understanding and consultation with our Road Superintendent, he has met all the conditions of his contract over this time period, without issue, and continues to do good work for the municipality. Long term service and positive history with the municipality was considered. Changing to a new provider with unknown information and history is a concern.

Another consideration in the tender application is age and condition of equipment. Pat Stewart Trucking has access to newer and more equipment – see Schedule D. Though newer equipment is said to be purchased if Michael Lance is awarded the contract, the equipment is not already acquired and therefore difficult to score through a tender process; age, condition, size etc. are all unknown. A concern identified by our Road Superintendent is the fact that a front end loader is required to push snowbanks back; on average 2-3

times per season. Michael Lance does not have a loader that we are aware of, as it was not listed in his tender application.

Pat Stewart Trucking has access to sand through personal sand pits, whereas we are unsure if Michael Lance has access to sand. The information was not included in the tender application.

The tender process is used to ensure that quality, experience and price are obtained for municipal services. These qualities are evident in the recommended award.

**Options:**

- 1) Award the contract to Pat Stewart Trucking.
- 2) Award the contact to Michael Lance.

**Financial Considerations/Budget Impact:**

Pat Stewart Trucking’s hourly and standby rates are higher than the other bid received; however the price is still comparable to other bids we have received in the past. Below is a breakdown of current and past bid pricing for comparison:

	2019-2022		2013-2016				2010-2013	2007-2010
	Michael Lance	Pat Stewart	Michael Lance	Pat Stewart	Cruickshank	East way	Pat Stewart	Pat Stewart
Hourly Standby (per day)	99	140	101.04	<b>119.74</b>	160	137	<b>115</b>	<b>110</b>
	70	85	72.04	75	200	350	75	75
Sand (tonne)	23	22	21.04	25	10 sand/ 79.50 salt	29.75		

Pat Stewart Trucking has maintained its pricing over a six year period, with no increases other than Council approved COLA. Their pricing is still less than or comparable to two other bids we received six years ago.

Their most recent hourly rate for snowplowing and sanding with COLA is \$127.68 (\$12.32 difference in new bid) and daily rate for Standby is \$79.97 (\$ 5.03 per day difference in new bid).

Michael Lance’s bid has decreased compared to 2013. Though a small decrease, the cost of many goods have increased over the last six years. Is it sustainable over the next three years?

We took approximate hours spent on plowing, sanding and standby for the 2018-2019 season to estimate what it would cost at the rates submitted by the two applicants:

	\$140/hr	\$99/hr	\$85/day	\$70/day
Plowing - 129 hours	\$ 17,360	\$ 12,276		
Sanding - 114 hours	\$ 15,960	\$ 11,286		
Standby- 85 hours			\$ 7,225	\$ 5,950
Total P. Stewart	\$ 40,545			
Total M. Lance	\$ 29,512			
<i>Difference</i>	\$ 11,033			

The 2019 budgeted amount for plowing, sanding and standby is \$39,750.

**Others Consulted:**

Wilfred Lamure, Road Superintendent

**Approved and Recommended by the Clerk**

Crystal Fischer,  
Clerk