

**Request for Quotation 3920-06-0252
Supply and Delivery of Quarried Crushed Stone
Aggregates, Sand and Gravel**

Date:	March 27, 2007
To:	Public Works and Infrastructure Committee
From:	General Manager, Toronto Water Director, Purchasing and Materials Management
Wards:	All
Reference Number:	

SUMMARY

The purpose of this report is to advise on the results of the Request for Quotation (RFQ) 3920-06-0252, and to request the authority to award contracts in the amounts of \$7,339,633.10 net of GST to Lafarge Canada Inc., and \$1,312,600.18 net of GST to Moyer Aggregates Inc. for the supply and delivery of Quarried Crushed Stone Aggregates, Sand and Gravel to various locations within the City of Toronto, for Toronto Water and Parks, Forestry and Recreation for the period from the date of award to December 31, 2007.

A contract in the amount of \$11,687.88 net of GST has been awarded to Vicdom Sand & Gravel (Ont) Ltd. being the lowest bidder for Item 16A. In accordance with the Purchasing By-Law 195-9 (A), Toronto Municipal Code Chapter 195 – Section 9.

RECOMMENDATIONS

The General Manager of Toronto Water and the Director of Purchasing and Materials Management recommend that:

1. Funds be reallocated within the approved 2007 Capital Budget of Toronto Water in the amount of \$2,200,000.00 net of GST from Account No. CPW028-03 – Clark Residue Mgmt Construction to Account No. CPW466-01 – 2006 Stream Restoration;

2. Subject to the approval of Recommendation (1), authority be granted to award the contract for the supply and delivery of Quarried Crushed Stone Aggregates, Sand and Gravel to Lafarge Canada Inc, being the lowest bidder for Items 1A, 2A, 4A, 5A, 6A, 8A, 9A, 10A, 12A, 13A, 14A, 17A, 19A, 20A, and 21A, for a total cost not to exceed \$7,339,633.10, net of GST for the period from contract award to December 31, 2007;
3. Subject to the approval of Recommendation (1), authority be granted to award the contract for the supply and delivery of Quarried Crushed Stone Aggregates, Sand and Gravel to Moyer Aggregates Inc., being the lowest bidder for Items 3A, 7A, 11A, 15A, 18A, 22A and 23A, for a total cost not to exceed \$1,312,600.18 net of GST for the period from contract award to December 31, 2007;

FINANCIAL IMPACT

The total contract award identified in this report is \$9,158,276.95 including all applicable taxes and charges. The cost to the City net of GST is \$8,663,921.16. Funding has been provided in the 2007 Operating and Capital Budgets in the respective Divisions. Since there are insufficient funds in the Toronto Water capital account CWW466 (2006 Stream Restoration), a budget adjustment is being recommended to transfer \$2,200,000.00 from CPW028 (Clark Residue Mgmt). This adjustment will have no net impact on the 2007 Toronto Water capital budget.

Division	Account No.	Total Net of GST
Toronto Water Operating	PW100, PW200, WW100, WW200 CWW466	\$784,801.10
Toronto Water Capital		\$7,700,000.00
Parks, Forestry & Recreation	PO0255	\$179,120.06
TOTAL		\$8,663,921.16

The Deputy City Manager and Financial Officer have reviewed this report and agree with the financial impact information.

BACKGROUND

Request for Quotation 3920-06-0252 was issued November 17, 2006 by Purchasing and Materials Management Division (PMMD) for the supply and delivery of Quarried Crushed Stone Aggregates, Sand and Gravel to various locations within the City of Toronto, for Toronto Water and Parks, Forestry and Recreation for the period from the date of award to December 31, 2007.

Eighteen (18) firms on the bidders' list were invited to submit bids and this requirement was advertised on the City of Toronto's Internet Website. The Request for Quotation closed and the prices from were read out at the public opening on December 1, 2006. Four (4) bids were received from Lafarge Canada Inc., Moyer Aggregates Inc., Vicdom Sand & Gravel (Ont) Ltd. and J. C. Rock Ltd. The bid submitted by J. C. Rock Ltd., was declared informal as they did not provide pricing by Triaxle Truck Loads as required in the RFQ.

A summary of the pricing received from Lafarge Canada Inc., Moyer Aggregates Inc., Vicdom Sand & Gravel (Ont) Ltd. is attached as appendix "B".

The contract value is based on usage estimates that were provided by participating Divisions, Toronto Water and Parks, Forestry and Recreation having regard for their 2007 Operating /Maintenance requirements.

COMMENTS

Toronto Water, Parks Forestry and Recreation reviewed the quotations received to ensure all criteria were met as required in the Request for Quotation 3920-06-0252.

Toronto Water, Parks Forestry and Recreation staff have compared the recommended bidder's prices to the estimated cost, and found the prices to be reasonable and within the adjusted budget. A comparison of the pricing received for 2007 against the contracted prices from June 18, 2005 to September 30, 2006 contract prices is attached as appendix "A".

The increase in price for this commodity can be attributed to the increased cost of producing aggregate products and manufacturing increases as identified in the Consumer Price Index, as well as the increased cost of Natural Gas and Fuel Oil used in the production and delivery of aggregates.

The Fair Wage Office has reported that the recommended firm has indicated that it has reviewed and understands the Fair Wage Policy and Labour Trades requirement and has agreed to comply fully.

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APPENDIX "A"

AGGREGATES PRICE COMPARISON

<u>Item No.</u>	<u>2007 Product</u>	<u>2007 Price Per Tonne Net of GST</u>	<u>2005/2006 Price Per Tonne Net of GST</u>	<u>Price Difference Over 2005/2006</u>	<u>Percent Difference Over 2005/2006</u>
1A	1/4 " Limestone Screening Crusher Run	\$17.65	\$14.24	\$+3.41	+23.9%
2A	3/4" Crusher Run Limestone	\$19.11	\$16.08	\$+3.03	+18.8%
3A	3/4" Crusher Run Limestone Down w Dust	\$23.27	\$18.56	\$+4.71	+25.4%
4A	2" Crusher Run Limestone	\$19.11	\$16.08	\$+3.03	+18.8%
5A	3/8" Clear Limestone	\$29.53	\$23.45	\$+6.08	+25.9%
6A	3/5" OR 3/4" (19MM) Clear Limestone	\$24.84	\$23.45	\$+1.39	+5.9%
7A	1-1/2" (37.5 mm) Clear Limestone Coarse	\$24.13	\$23.69	\$+0.44	+1.9%
8A	2" (50 MM) Clear Limestone	\$25.28	\$21.80	\$+3.48	+16.0%
9A	3/8" Pea Gravel Water Washed Rounded	\$25.21	\$22.53	\$+2.68	+11.9%
10A	Crushed Gravel (Hazemag) 3/16" minus	\$19.07	\$16.32	\$+2.75	+16.9%
11A	Gabion Stone	\$34.49	\$24.98	\$+9.51	+38.1%
12A	Rip Rap Small	\$45.84	\$27.52	\$+18.32	+66.6%
13A*	Rip Rap Large	\$50.20	N/A*	N/A*	N/A*
14A	Armour Stone with Flat Bottom & Flat Top	\$133.40	\$133.91	\$-0.51	-0.4%
15A	River Run Stones 4" - 24"	\$49.19	\$39.84	\$+9.35	+23.5%
16A	Water Washed Brick Sand	\$16.89	\$15.89	\$+1.00	+6.3%
17A	Free Running Clean Sand Fill	\$11.89	\$11.03	\$+0.86	+7.8%
18A	Top Dressing Sand	\$23.27	\$17.18	\$+6.09	+35.4%
19A	Winter Sand	\$16.17	\$15.35	\$+0.82	+5.3%
20A	Gravel - Granular Class "B" Crushed	\$19.74	\$13.13	\$+6.61	+50.3%
21A	Gravel - Granular Class "B" Pit Run	\$12.99	\$11.57	\$+1.42	+12.3%
22A	High Performance Bedding Material	\$21.69	\$17.99	\$+3.70	+20.6%
23A	Water Washed Concrete Sand	\$18.87	\$16.94	\$+1.93	+11.4%
*	No Comparison Possible as Item was not Purchased Previously				

APPENDIX "B"

SUMMARY OF PRICING BY VENDOR

<u>ITEM</u>	<u>DESCRIPTION</u>	<u>LAFARGE CANADA INC.</u>	<u>MOYER AGGREGATES INC.</u>	<u>VICDOM SAND AND GRAVEL LTD.</u>
1A	1/4" Limestone Screening Crusher Run Aggregate			
	Total Price Net of GST	\$62,214.84	\$66,794.52	\$82,379.25
	Total Price Including all charges and applicable taxes	\$65,856.87	\$70,677.66	\$87,085.13
2A	3/4" Crusher Run Limestone			
	Total Price Net of GST	\$106,563.09	\$129,770.10	\$130,334.49
	Total Price Including all charges and applicable taxes	\$112,776.98	\$137,252.20	\$137,779.79
3A	3/4" Crusher Run Limestone Down containing 40% Dust			
	Total Price Net of GST		\$163,533.13	\$164,244.36
	Total Price Including all charges and applicable taxes	NO BID	\$172,961.89	\$173,626.74
4A	2" Crusher Run Limestone			
	Total Price Net of GST	\$26,635.99	\$32,436.71	\$32,577.78
	Total Price Including all charges and applicable taxes	\$28,189.19	\$34,306.90	\$34,438.77
5A	3/8" Clear Limestone			
	Total Price Net of GST	\$1,476.48	\$1,487.44	\$1,492.50
	Total Price Including all charges and applicable taxes	\$1,561.14	\$1,572.52	\$1,577.25
6A	3/4" (19 mm) Clear Limestone			
	Total Price Net of GST	\$243,926.13	\$306,189.48	\$258,082.77
	Total Price Including all charges and applicable taxes	\$258,009.99	\$323,694.22	\$272,791.37
7A	1-1/2" (37.5mm) Clear Limestone Coarse			
	Total Price Net of GST		\$18,173.28	
	Total Price Including all charges and applicable taxes	NO BID	\$19,212.24	NO BID
			\$	
8A	2" (50MM) Clear Limestone			
	Total Price Net of GST	\$28,641.79	\$34,317.21	\$28,925.49
	Total Price Including all charges and applicable taxes	\$30,298.46	\$36,279.11	\$30,574.01

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9A	3/8" Pea Gravel Water Washed Rounded Smooth Total Price Net of GST Total Price Including all charges and applicable taxes	\$148,950.58 \$157,440.90	\$189,938.08 \$200,786.22	NO BID
10A	Crushed Gravel (Hazemag) 3/16" Total Price Net of GST Total Price Including all charges and applicable taxes	\$26,296.98 \$27,837.60	NO BID	NO BID
11A	Gabion Stone Total Price Net of GST Total Price Including all charges and applicable taxes	\$1,000,785.39 \$1,058,342.08	\$759,512.35 \$802,930.93	NO BID
12A	RIP RAP SMALL Total Price Net of GST Total Price Including all charges and applicable taxes	\$1,385,922.06 \$1,465,604.93	NO BID	NO BID
13A	RIP RAP LARGE Total Price Net of GST Total Price Including all charges and applicable taxes	\$1,506,096.00 \$1,592,568.00	NO BID	NO BID
14A	Armour Stone with Flat Bottom and Flat Top & One Smooth Face Limestone, No Shale Total Price Net of GST Total Price Including all charges and applicable taxes	\$3,468,389.60 \$3,663,966.80	NO BID	NO BID
15A	River Run Stones 4" - 24" Total Price Net of GST Total Price Including all charges and applicable taxes	\$480,802.40 \$508,079.00	\$319,727.20 \$337,807.60	NO BID
16A	Water Washed Brick Sand Total Price Net of GST Total Price Including all charges and applicable taxes	\$12,338.08 \$13,048.91	\$13,859.93 \$14,663.76	\$11,687.88 \$12,362.58
17A	Free Running Clean Sand Fill Total Price Net of GST Total Price Including all charges and applicable taxes	\$272,212.39 \$288,174.79	\$347,289.68 \$367,702.86	\$287,790.15 \$304,617.98

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18A	Top Dressing Sand			
	Total Price Net of GST	\$21,358.92	\$19,196.76	
	Total Price Including all charges and applicable taxes	\$22,579.59	\$20,303.58	NO BID
19A	Winter Sand			
	Total Price Net of GST	\$12,127.20	\$14,121.60	\$12,262.50
	Total Price Including all charges and applicable taxes	\$12,971.25	\$15,135.30	\$13,095.00
20A	Gravel - Granular Class "B" Crushed			
	Total Price Net of GST	\$10,639.64	\$12,541.88	
	Total Price Including all charges and applicable taxes	\$11,249.90	\$13,265.01	NO BID
21A	Gravel - Granular Class "B" Pit Run			
	Total Price Net of GST	\$39,540.34	\$52,748.87	\$39,906.84
	Total Price Including all charges and applicable taxes	\$41,845.26	\$55,828.18	\$42,235.50
22A	High Performance Bedding Material			
	Total Price Net of GST	\$11,798.71	\$11,211.19	\$13,300.80
	Total Price Including all charges and applicable taxes	\$12,482.84	\$11,859.42	\$14,059.68
23A	Water Washed Concrete Sand			
	Total Price Net of GST	\$22,834.83	\$21,246.27	\$21,450.30
	Total Price Including all charges and applicable taxes	\$24,143.47	\$22,486.67	\$22,683.27

NOTE:

GST and PST applicable on aggregate material. GST only applicable on haulage.

GST figures noted above reflect totals with appropriate taxes applied.