

Our File/N/Réf. **25 06-96-0001**
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DATE 26 June 1996

TO/DEST. Co-ordinator
Corporate Services and Economic Development Committee

FROM/EXP. Environment and Transportation Commissioner

SUBJECT/OBJET **REGIONAL ROADS WINTER MAINTENANCE**
CONTRACT NUMBERS: 96-701, 96-702, 96-703 AND 96-704
CONTRACT AWARDS

DEPARTMENTAL RECOMMENDATIONS

That the Corporate Services and Economic Development Committee and Council approve the award of Contracts:

- 1. Contract 96-701 - Regional Roads Winter Maintenance Contract Zone One Section E - Material Application, Section J - Material Supply Contractor, Section F - Snow Ploughing, Section G - Snow Haulage and Removal and Section K - Contingency to Goldie Mohr Limited, Nepean, for a total estimated three year cost of \$6,549,688.01;**
- 2. Contract 96-701 - Regional Roads Winter Maintenance Contract Zone One Section H - Miscellaneous Winter to the Corporation of the City of Ottawa, Ottawa, for a total estimated three year cost of \$475,443.00;**
- 3. Contract 96-702 - Regional Roads Winter Maintenance Contract Zone Two Section E - Material Application and Section I - Material Supply Regional, Section F - Snow Ploughing, Section G - Snow Haulage and Removal, Section H - Miscellaneous Winter and Section K - Contingency, to Beaver Road Builders Limited, Gloucester, for a total estimated three year cost of \$4,946,009.73;**

- 4. Contract 96-703 - Regional Roads Winter Maintenance Contract Zone Three-A Section E - Material Application and Section I - Material Supply Regional to Beaver Road Builders Limited, Gloucester, for a total estimated three year cost of \$975,085.65;**
- 5. Contract 96-703 - Regional Roads Winter Maintenance Contract Zone Three-A Section F - Snow Ploughing, Section G - Snow Haulage and Removal, Section H - Miscellaneous Winter and Section K - Contingency, to the Corporation of the City of Ottawa, Ottawa, for a total estimated three year cost of \$2,952,071.94;**
- 6. Contract 96-704 - Regional Roads Winter Maintenance Contract Zone Three-B Section E - Material Application and Section I - Material Supply Regional to Beaver Road Builders Limited, Gloucester, for a total estimated three year cost of \$187,033.86;**
- 7. Contract 96-704 - Regional Roads Winter Maintenance Contract Zone Three-B Section F - Snow Ploughing, Section G - Snow Haulage and Removal, Section H - Miscellaneous Winter and Section K - Contingency, to the Corporation of the City of Ottawa, Ottawa, for a total estimated three year cost of \$759,684.57.**

BACKGROUND

Winter maintenance is a core Regional service. Average annual costs for this work under the existing Service Agreements with the Cities of Ottawa and Vanier were \$7.25 M.

Regional Council at its meeting of 24 April 1996 approved a public tender process for the purchase of road winter maintenance services on Regional roads within the Cities of Ottawa and Vanier.

EXPENDITURE JUSTIFICATION

The net (with 4% GST rebate and material costs included) estimated total annual cost of the recommended contracts is \$6.05 M.

The expected saving is \$1.2 M annually, \$3.6 M over the three year contract period and \$6 M over the potential five year contract period.

Actual costs and actual savings will depend upon weather conditions and further efficiencies achieved as the work proceeds.

CONSULTATION

The Region's intent to review the way it carries out business in the area of Regional Road Maintenance has been part of ongoing discussions with various stakeholders for more than a year.

All members of Regional Council were invited to a briefing session by Regional staff on 6 March 1996. Further, members of Regional Council and Ottawa City Council were invited to a 18 March 1996 information session provided by staff on the prospect of a public tender for road maintenance activities.

Further, City of Ottawa and City of Vanier officials made presentations on this subject to the members of Transportation Committee on 3 April 1996.

CONTRACT DETAILS

These contracts involve snow and ice control operations on Regional roads generally within the Cities of Ottawa and Vanier (see Zone map attached as Annex A). Major items of work include the spreading of de-icing and abrasive materials, snow ploughing and snow removal.

Contractors could provide bids on six distinct contract sections or parts thereof, including two material supply options; supply of storage facilities and materials by RMOC, (Section I of the Contract) or; supply of facilities and materials by the Contractor (Section J of the contract).

It should be noted that among many other provisions, the bid documents permit the Region to accept a Tender or any part of a Tender which is not the lowest Tender. Attention was drawn to this feature of the bid documents at a bidder's pre-tender meeting held on 16 May 1996 and was later recorded in the meeting notes which were sent to all bidders.

Section E of the Contract deals with the application of road salt and grit using Tandem axle trucks equipped with underbody ploughs, spreader boxes, dual spinners and electronic material application controls. This operation is the first and predominant response to winter events (snow and freezing rain) and is usually required in excess of 100 times each season.

Section F of the Contract concerns the ploughing of roads using road graders when spreader trucks are unable to deal with higher rates of snow and ice accumulation. Ploughing operations are much less frequent than spreader operations (less than 15 times per season).

Section G involves the loading and hauling of snow to designated snow disposal facilities when accumulations exceed available on-street storage capacity. This operation, which is carried out using road graders, snowblowers and dump trucks, is usually required less than 12 times each season.

Section H of the contract deals with miscellaneous winter operations such as the clearing and/or removal of snow at bus stops, intersections, crosswalks etc. and the application of salt and abrasives as required. This occurs about 25 times per season. Section H also involves the supply of miscellaneous equipment and labour to deal with other situations as required e.g. clearing snow and ice from catch basins and culverts in anticipation of a significant rainfall or melt.

Current practice indicates that any co-ordination needed among these various sections is efficiently handled by regional staff. Currently, no agency, including the RMOC or the Cities of Ottawa and Vanier, carries out all of these works using a single workforce (ie. some work is done by municipal forces however, a great deal is usually contracted to a number of different contractors.).

An in-depth review of all elements of the submitted tenders clearly indicated a wide variance in the bids. This resulted in staff concluding that the greatest benefit to the Region is in the following summary of contract awards:

1. Contract 96-701 to Goldie Mohr Limited, Nepean, all Sections except Section H (miscellaneous winter);
2. Contract 96-701 to the Corporation of the City of Ottawa, Ottawa, Section H (miscellaneous winter);
3. Contract 96-702 to Beaver Road Builders Limited, Gloucester, all Sections;
4. Contract 96-703 to the Corporation of the City of Ottawa, Ottawa, all Sections except Section E (application of road salt and grit) and Sections I and J (supply of material);
5. Contract 96-703 to Beaver Road Builders Limited, Gloucester, Section E (application of road salt and grit) and Section I (Regional material supply);
6. Contract 96-704 to the Corporation of the City of Ottawa, Ottawa, all Sections except Section E (application of road salt and grit) and Sections I and J (supply of material); and
7. Contract 96-704 to Beaver Road Builders Limited, Gloucester, Section E (application of road salt and grit) and Section I (Regional material supply).

These contracts contain a contingency allowance as shown in Section K in the Annexes for contract variations due to unforeseen conditions.

The Department's recommended acceptance of bids is highlighted in Annexes B to E. Where applicable, GST has been added to the annual bid prices to determine the total estimated three year contract provisions presented in the recommendations.

The contracts contain liquidated damages clauses for non-compliance and are for a three year period with an optional year by year renewal up to a maximum of five years.

The contracts have been designed to maximize the Region's responsiveness and accountability to the taxpayer.

Due to the lead time required for contractors to order and receive delivery of equipment it is necessary for these contracts to be awarded at this time.

FINANCIAL STATEMENT

Approved Budget to Date	16,331,899
Total Paid and Committed	<u>(8,207,623)</u>
Balance Available	8,124,276
THIS REQUEST	(2,246,002)
Balance Remaining	<u>5,878,274</u>

Funds in the amount of \$2,246,002.24 have been provided in the 1996 Operating Budget, Account No. 012-38111-2824, 1996 Winter Maintenance. The remaining funds in the amount of \$14,599,014.53 represents a pre-commitment to the 1997, 1998 and 1999 Operating Budgets.

Approved by
M.J.E. Sheflin, P.Eng.

WSB/ms

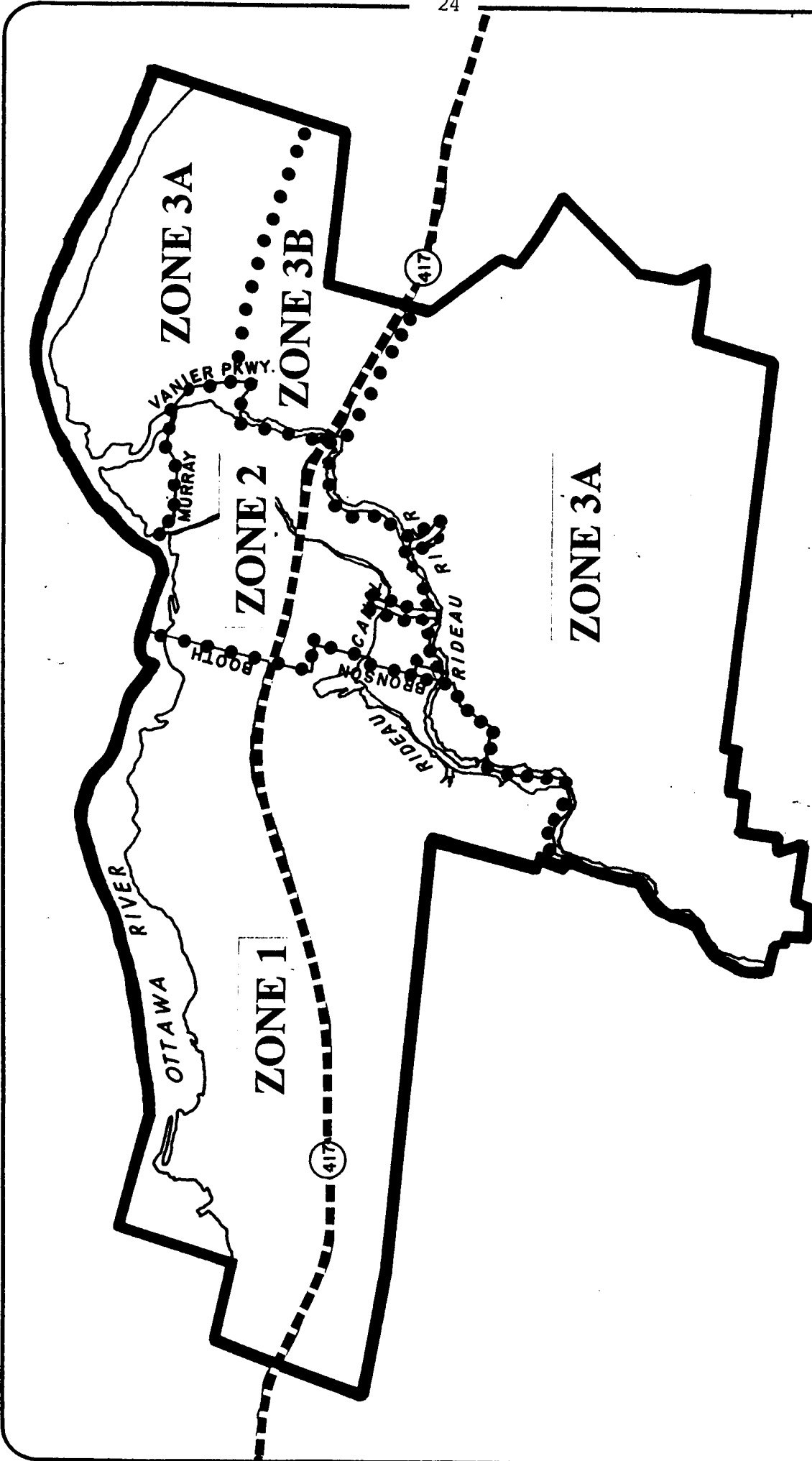
Attach.(5)

FINANCE DEPARTMENT COMMENT

Funds are available as indicated.

Approval of these contracts represent a pre-commitment of the 1997 to 1999 Winter Maintenance operating budgets.

*Approved by Tom Fedec
on behalf of the Finance Commissioner*



Regional Municipality of Ottawa - Carleton

REGIONAL ROADS WINTER MAINTENANCE CONTRACTS

Tender Summary
Regional Roads Winter Maintenance Contract - Zone One
Contract No. 96-701

Section	Description	Departmental Estimate	Goldie Mohr Ltd. Nepean, Ontario	Corporation of the City of Ottawa Ottawa, Ontario	G. W. Drummond Ltd. Nepean, Ontario	Beaver Road Builder Ltd. Gloucester, Ontario	Cruickshank Construction Limited Morrissburg, Ontario
E	Material Application	\$324,280.00	\$519,979.49	\$788,621.50	\$345,180.00	\$374,990.00	\$540,704.00
F	Snow Plowing	\$123,300.00	\$378,839.45	\$313,185.50	\$471,080.00	\$468,290.00	\$442,172.25
G	Snow Removal	\$625,467.00	\$833,054.25	\$785,110.70	\$1,050,919.00	\$637,643.00	\$932,995.85
H	Miscellaneous	\$144,780.00	\$394,555.00	\$158,481.00	\$391,830.00	\$1,070,100.00	\$678,296.95
I	RMOC Supply option	\$50,050.00	\$40,885.85	\$64,280.80	\$34,350.00	\$61,985.00	\$49,933.25
J	Contractor Supply option	\$469,675.00	\$459,475.00	\$496,650.00	NO BID	\$674,115.00	NO BID
K	Contingency	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
TOTAL ANNUAL BID (RMOC MATERIAL SUPPLY OPTION)		\$1,317,877.00	\$2,016,466.25	\$2,159,679.50	\$2,343,359.00	\$2,663,008.00	\$2,694,102.30
TOTAL ANNUAL BID (CONTRACTOR MATERIAL SUPPLY OPTION)		\$1,737,502.00	\$2,434,956.25	\$2,592,048.70	NO BID	\$3,275,138.00	NO BID
SUB-TOTAL (RMOC)		\$374,330.00	\$559,715.25	\$852,902.30	\$379,530.00	\$436,975.00	\$590,637.25
SUB-TOTAL (Contractor)		\$793,955.00	\$978,205.25	\$1,285,271.50	NO BID	\$1,049,105.00	NO BID
SUB-TOTAL		\$943,547.00	\$1,456,751.00	\$1,306,777.20	\$1,963,829.00	\$2,226,033.00	\$2,103,465.05

Note: The Departmental Estimate and all bids are annual prices, excluding the Goods and Services Tax (GST)

Tender Summary
Regional Roads Winter Maintenance Contract - Zone Two
Contract No. 96-702

Section	Description	Departmental Estimate	Goidie Mohr Ltd. Nepean, Ontario	Beaver Road Builder Ltd. Gloucester, Ontario	Corporation of the City of Ottawa Ottawa, Ontario	G. W. Drummond Ltd. Nepean, Ontario
E	Material Application	\$212,520.00	\$338,721.60	\$234,840.00	\$604,869.00	\$225,720.00
F	Snow Plowing	\$74,700.00	\$238,434.35	\$283,580.00	\$225,932.60	\$298,040.00
G	Snow Removal	\$589,777.25	\$572,748.30	\$601,863.00	\$817,472.50	\$1,716,002.13
H	Miscellaneous	\$89,775.00	\$159,602.00	\$355,730.00	\$115,535.57	\$441,910.00
I	RMOC Supply option	\$44,000.00	\$32,600.85	\$51,265.00	\$59,036.00	\$29,070.00
J	Contractor Supply option	\$278,175.00	\$272,050.85	\$466,265.00	\$287,650.00	NO BID
K	Contingency	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
TOTAL ANNUAL BID (RMOC MATERIAL SUPPLY OPTION)	SUM OF SECTIONS E, F, G, H, I AND K	\$1,040,772.25	\$1,392,107.10	\$1,577,275.00	\$1,872,845.67	\$2,760,742.13
TOTAL ANNUAL BID (CONTRACTOR MATERIAL SUPPLY OPTION)	SUM OF SECTIONS E, F, G, H, J AND K	\$1,274,947.25	\$1,631,557.10	\$1,992,278.00	\$2,101,459.67	NO BID
SUB-TOTAL (RMOC)	Sum of Sections E and I	\$256,520.00	\$371,322.45	\$286,105.00	\$663,905.00	\$254,790.00
SUB-TOTAL (Contractor)	Sum of Sections E and J	\$490,695.00	\$610,772.45	\$701,105.00	\$892,519.00	NO BID
SUB-TOTAL	Sum of Sections F, G, H, and K	\$784,252.25	\$1,020,784.65	\$1,291,173.00	\$1,208,940.67	\$2,505,952.13

Note: The Departmental Estimate and all bids are annual prices, excluding the Goods and Services Tax (GST)

Tender Summary
Regional Roads Winter Maintenance Contract - Zone Three A
Contract No. 96-703

Section	Description	Departmental Estimate	Corporation of the City of Ottawa Ottawa, Ontario	G. W. Drummond Ltd. Nepean, Ontario	Cruickshank Construction Limited Morrisburg, Ontario	Beaver Road Builder Ltd. Gloucester, Ontario
E	Material Application	\$251,900.00	\$714,995.00	\$265,650.00	\$431,260.50	\$286,825.00
F	Snow Plowing	\$95,700.00	\$271,705.50	\$362,120.00	\$390,418.50	\$359,810.00
G	Snow Removal	\$418,638.00	\$444,792.75	\$822,415.80	\$525,483.60	\$380,318.40
H	Miscellaneous	\$129,435.00	\$232,525.73	\$356,250.00	\$469,331.95	\$859,178.00
I	RMOC Supply option	\$45,100.00	\$59,989.60	\$30,030.00	\$43,160.70	\$55,055.00
J	Contractor Supply option	\$348,675.00	\$364,650.00	NO BID	NO BID	\$550,515.00
K	Contingency	\$35,000.00	\$35,000.00	\$35,000.00	\$35,000.00	\$35,000.00
TOTAL ANNUAL BID (RMOC MATERIAL SUPPLY OPTION)	SUM OF SECTIONS E, F, G, H, I AND K	\$975,773.00	\$1,759,008.58	\$1,871,465.80	\$1,914,655.25	\$1,976,186.40
TOTAL ANNUAL BID (CONTRACTOR MATERIAL SUPPLY OPTION)	SUM OF SECTIONS E, F, G, H, J AND K	\$1,279,348.00	\$2,063,668.98	NO BID	NO BID	\$2,471,646.40
SUB-TOTAL (RMOC)	Sum of Sections E and I	\$297,000.00	\$774,984.60	\$295,680.00	\$474,421.20	\$341,880.00
SUB-TOTAL (Contractor)	Sum of Sections E and J	\$600,575.00	\$1,079,645.00	NO BID	NO BID	\$837,340.00
SUB-TOTAL	Sum of Sections F, G, H, and K	\$678,773.00	\$914,323.98	\$1,575,785.80	\$1,440,234.05	\$1,634,306.40

Note: The Departmental Estimate and all bids are annual prices, excluding the Goods and Services Tax (GST)

Tender Summary
Regional Roads Winter Maintenance Contract - Three B
Contract No. 96-704

Section	Description	Departmental Estimate	Corporation of the City of Ottawa Ottawa, Ontario	Beaver Road Builder Ltd. Gloucester, Ontario	G. W. Drummond Ltd. Nepean, Ontario	Cruickshank Construction Limited Morrisburg, Ontario
E	Material Application	\$50,380.00	\$104,250.40	\$55,010.00	\$54,120.00	\$157,654.20
F	Snow Plowing	\$19,980.00	\$42,730.65	\$76,890.00	\$85,635.00	\$184,134.45
G	Snow Removal	\$133,390.50	\$152,112.40	\$177,294.00	\$455,111.05	\$275,208.70
H	Miscellaneous	\$28,600.00	\$43,385.14	\$188,480.00	\$158,620.00	\$165,295.96
I	RMOC Supply option	\$35,420.00	\$51,597.92	\$39,721.00	\$21,934.00	\$34,539.12
J	Contractor Supply option	\$86,675.00	\$78,650.00	\$288,025.00	NO BID	NO BID
K	Contingency	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00
TOTAL ANNUAL BID (RMOC MATERIAL SUPPLY OPTION)	SUM OF SECTIONS E, F, G, H, I AND K	\$282,770.50	\$409,076.51	\$652,395.00	\$790,420.05	\$831,832.43
TOTAL ANNUAL BID (CONTRACTOR MATERIAL SUPPLY OPTION)	SUM OF SECTIONS E, F, G, H, J AND K	\$334,025.50	\$436,128.59	\$780,689.00	NO BID	NO BID
SUB-TOTAL (RMOC)	Sum of Sections E and I	\$85,800.00	\$155,848.32	\$314,731.00	\$76,054.00	\$192,193.32
SUB-TOTAL (Contractor)	Sum of Sections E and J	\$137,055.00	\$182,900.40	\$323,035.00	NO BID	NO BID
SUB-TOTAL	Sum of Sections F, G, H, and K	\$196,970.50	\$233,226.79	\$457,664.00	\$714,366.05	\$639,639.11

Note: The Departmental Estimate and all bids are annual prices, excluding the Goods and Services Tax (GST)