

COUNCIL REPORT

M&C No.	2019-202
Report Date	August 07, 2019
Meeting Date	August 19, 2019
Service Area	Transportation and Environment Services

His Worship Mayor Don Darling and Members of Common Council

SUBJECT: Road Salt Delivery

OPEN OR CLOSED SESSION

This matter is to be discussed in open session of Common Council.

AUTHORIZATION

Primary Author	Commissioner/Dept. Head	City Manager
	<i>Mike Hugenholtz</i>	<i>John Collin</i>

RECOMMENDATION

It is recommended that Common Council:

1. Award the tender for road salt delivery to Kingsco Transport Ltd. for a two year period.
2. And that the Mayor and Common Clerk be authorized to sign the required documents.

EXECUTIVE SUMMARY

The City of Saint John uses road salt as well as sand to keep streets and sidewalks clear in the winter. Both materials are procured through supply contracts.

Separately on the Council Agenda there is another report recommending that Saint John 'piggy back' on the Province's supply contract for road salt with Nutrien. Many of the other municipalities in the Province have plans to do the same.

The tender for pick-up and delivery of the road salt was undertaken as a tri-city partnership, with the City of Moncton facilitating the process. Only one bid was received for delivery to Saint John which was from Kingsco Transport Ltd.. The price provided is \$8.61/tonne plus tax.

The contract is a 2 year contract, with a 2% increase in the second year.

STRATEGIC ALIGNMENT

This report supports Council's priorities of Safe and Vibrant City and valued service delivery.

SERVICE AND FINANCIAL OUTCOMES

Staff estimate, based on historical usage data, the City's requirement for road salt is approximately 12,000 tonnes per year. The combined price of the new road salt supply plus delivery is anticipated to be in the order of \$765,000. On a unit cost basis this represents an increase of approximately 3% over last year. The severity of each winter however will impact how much material will actually be required. This is a planned expenditure for which funds are included in the annual operating budget.

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS

Materials Management staff have reviewed the information provided by the City of Moncton and Kingsco Transport Ltd. and have found them to be complete and formal in every regard. Staff believes that Kingsco has the necessary resources and expertise to deliver this product to the City.

The above process is in accordance with the City's Procurement Policy and Materials Management support the recommendation being put forth.