

## COUNCIL AUTHORITY FOR CONTRACT AWARDS

### CONTRACT RENEWAL

<b>Project Award</b>	Contract No. 22-019 Supply and Delivery of Sodium Chloride (Road Salt), Contract Renewal for the second year of a five year contract term
<b>Recommendation</b>	<p>Staff are recommending the award of the contract renewal for Road Salt to Compass Minerals Canada Corp. for the one-year period from October 1, 2023 to September 30, 2024 in the estimated amount of \$1,664,000 (exclusive of HST).</p> <p>Staff are also recommending delegated approval to award each of the three (3) remaining one-year optional contract renewal terms for years three to five, up to a total contract term of five years. The total estimated cost for the three remaining optional renewal terms combined is \$5,300,000 (exclusive of HST).</p>
<b>Purpose of Report</b>	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
<b>Background information</b>	<p>The Town of Milton issued a Request for Proposal in 2022 on behalf of the Halton Co-operative Purchasing Group (HCPG) for the Supply and Delivery of Sodium Chloride (Road Salt).</p> <p>The contract was awarded to Compass Minerals Canada Corp. The term of the contract was for a one-year period from October 1, 2022 to September 30, 2023, and the Town has the option to renew the contract for four additional one-year periods.</p> <p>The first term of the contract was awarded through CORS-054-22. The contract renewal for the second year term is for a total estimated amount of \$1,664,000 (exclusive of HST) for the period of October 1, 2023 to September 30, 2024. The contract renewal amount is based on 20,000 tonnes which aligns with estimates considered through the tender process. The cost to be incurred will be based on the actual quantities required during the contract term. The unit price for the second year term has decreased by 3.5% as a result of a change in the fuel price index for the contract.</p> <p>The new contract total for years 1 and 2 will be in the estimated amount of \$3,280,900 (exclusive of HST).</p> <p>As provided for in the proposal submission, the contract allows for three (3) remaining optional contract renewal terms, up to a total contract term of five (5) years. Staff are seeking delegated approval to award each of the three (3) remaining one-year optional contract renewal terms, for years three to five, through a</p>

	PDA report. The total estimated cost for the three remaining optional renewal terms combined is \$5,300,000 (exclusive of HST).
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**Financial Planning Section: Budget Impact** (Note 1)

<b>Account Number(s)</b>	0600 0645 3400	0830 0645 3400	0900 0645 3400
<b>Account Description</b>	Winter Control	Puslinch Townline	Region Roads
<b>Contract Budget</b>	\$652,790	\$217	\$435,193
<b>Actual</b> (Net of HST Rebate) (Note 2)	\$652,790	\$217	\$435,193
<b>Variance</b>	\$0	\$0	\$0
<b>Funding Source</b>	Operating Budget	Operating Budget	Regional Recovery (Note 3)

Note 1: Financial impact includes any non-refundable portion of HST.

Note 2: Contract actuals are an estimate only based on 12,000 tonnes which aligns with recent experience. The resulting costs will be managed by Program Area staff and reviewed with Financial Planning with any variances being reported through the Variance process.

Note 3: The cost of contracts for Regional Roads will be recovered from the Region of Halton.