

COUNCIL AUTHORITY FOR CONTRACT AWARDS CONTRACT RENEWALS

Project Award	Contract Renewals for the 2024/2025 Winter Control Program – Equipment and Operator						
Recommendation	<p>Staff are recommending the award of the contract renewals for winter control services for a combination of various contracts for years three to five for the 2024/2025 winter season, in the estimated total amount of \$1,022,911 (exclusive of tax) as noted below:</p> <table border="1" data-bbox="621 537 1565 684"> <tr> <td data-bbox="621 537 1203 585">Associated Paving</td> <td data-bbox="1203 537 1565 585">\$31,700</td> </tr> <tr> <td data-bbox="621 585 1203 634">Blue Chip Building Restoration Ltd.</td> <td data-bbox="1203 585 1565 634">\$908,211</td> </tr> <tr> <td data-bbox="621 634 1203 684">Duff Contracting</td> <td data-bbox="1203 634 1565 684">\$83,000</td> </tr> </table>	Associated Paving	\$31,700	Blue Chip Building Restoration Ltd.	\$908,211	Duff Contracting	\$83,000
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Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.						
Background information	<p>The Town of Milton requires contracted equipment and operators to provide winter maintenance on both Town and Regional roads (as part of the Regional Maintenance Agreement). These contracts supplement the services provided by Town staff.</p> <p><u>Contract Renewals</u></p> <p>The Town has issued winter control tenders on an annual basis for a portion of the requirements, for a potential contract term of up to five years. This has ensured that the Town will potentially have a 20% turnover in contractors, ensuring that services can be delivered effectively and efficiently. This renewal encompasses twenty (20) units of various types of equipment including Tandems, Single Axles, Loaders and Graders.</p> <p>These contracts include a MTO fuel index calculation, which are reconciled monthly. The index is used by the Province and many municipalities to manage fluctuating fuel costs through the term of the contract. This ensures that the contractors don't carry the risk of higher fuel costs and the Town benefits by not having to pay higher rates to cover the risk.</p> <p>The estimated cost of the contract renewals includes a combination of the standby rate and hourly call out rates. Potential future MTO fuel index changes have not been included in the estimates.</p> <p>The total estimated contract renewal amount for all twenty (20) units is \$1,022,911 (exclusive of tax) for the 2024/2025 winter season. The total overall cost increase for the contract renewals is 1.55%. The contract renewal amount is an estimate, the cost to</p>						

Schedule D

	<p>be incurred will be based on the actual call out hours required during the contract term.</p> <p>Staff will report back to Council separately at a later date with respect to recommendations on the award of the remaining twenty-one (21) units of equipment that are required to administer the winter control program.</p>
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Financial Planning Section: Budget Impact (Note 1)		
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Account Number(s)	0690-0690-3740	0969-0690-3740
Account Description	Winter Control	Region Winter Control
Contract Budget (Note 2)	\$184,456	\$122,971
Actual (Net of HST Rebate) (Note 2)	\$187,365	\$124,910
Variance (Note 3)	\$2,908 (U)	\$1,939 (U)
Funding Source	Operating Budget	Regional Recovery (Note 4)

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

Note 2: Contract budget and actual reflect the estimated amount for the remaining winter months for fiscal 2024. Costs associated with fiscal 2025 will be considered in the development of the 2025 budget.

Note 3: Contract actuals are an estimate only, which will vary depending on weather conditions and will be monitored by program area staff. Any variances will be reported through the variance process.

Note 4: Winter maintenance costs for Regional Roads are recovered from the Region of Halton.