

Four bids was received that met the all the conditions of the tender. The unit price from Dalton R. Lowe and Sons Construction Ltd for 2009 will be \$7.42 per tonne. See table #2 for cost comparisons. The decrease in price can be attributed to the reduction of diesel fuel costs. The material will be paid by the tonne based on weigh tickets.

year	Price per tonne , placed
2009	\$7.42
2008	\$7.85
2007	\$6.32

The Town will not continue to crush gravel extracted from the landfill. The overburden is now too thick to continue with gravel removal. If the overburden can be removed and used as cover at the landfill it may be possible to extract more gravel in the future.

In this tender, PST is only paid on the supply and crushing of the gravel. The hauling and applying is considered an installation of the product and is PST exempt.

Staff recommends that Contract TBM-2009-33 be awarded to Dalton R. Lowe and Sons Construction Ltd., being the lowest bidder and meeting the requirements of the contract documents. This contract has the provision to be extended for 2010 and 2011 for a total of up to 3 years. There is flexibility to adjust the unit prices to account for increases or decreases in fuel prices.

C. The Blue Mountains' Strategic Plan

This tender award furthers the Town's Strategic Goal #2, "Addressing the Town's municipal infrastructure needs".

D. Environmental Impacts

The crushing and moving of large quantities of gravel require vast amounts of energy. This energy is supplied in the way of diesel fuel. The Contractor will be asked to comply with the Town's anti idling program.

E. Budget Impact

The 2009 Roads & Drainage Operational Budget includes \$190,000 for materials. Theses materials will be coded to account 1-308-3065-62000, identified for gravel resurfacing and used by the Finance Department to track for the Municipal Performance Measures.

F. Attached

None.

Respectfully submitted,

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