



The Corporation of the Township of Huron-Kinloss

Staff Report

Report Title: Dust Control Tender

Prepared By: John Yungblut, Director of Public Works

Department: Public Works

Date: Mar. 1, 2021

Report Number: PW-2021-03-20

File Number: F18DUS 21

Attachments:

Recommendation:

That the Township of Huron-Kinloss Committee of the Whole hereby approves Report Number PW2021-03-20 prepared by John Yungblut, Director of Public Works, AND approves the bid from 552976 Ontario Limited - Holland Transport in the amount of \$318.60 per flake tonne plus H.S.T AND the bid from Da-Lee Dust Control Ltd. in the amount of \$383.52 per flake tonne to supply, haul and apply dust suppressants on Township gravel roads in 2021 AND FURTHER authorizes the appropriate By-Law coming forward.

Background:

In 2020, Township staff decided to use a naturally occurring dust control material that is referred to as "20% Calcium Chloride" on some of our lower volume gravel roads on a trial basis. This product generally consists of 17% calcium chloride, 3% magnesium chloride and 12% sodium chloride. The traditional dust control product, known as 35% Calcium Chloride, was used on higher volume gravel roads.

The reason for this trial was to mitigate the impact of the increasing cost of 35% Calcium Chloride to the operating budget. In 2020, the "20% Calcium Chloride" was approximately 30% less expensive than 35% Calcium Chloride.

Discussion:

Township staff were pleased with the results of the "20% Calcium Chloride" on the gravel roads it was applied to. It appeared to be just as effective as the 35% Calcium Chloride product as a dust suppressant and there was no evidence of an increased maintenance requirement compared to previous years. Therefore, staff decided to

issue Request for Tender (RFT) PW2021-02-18 in two parts, Part 1 specified 35% Calcium Chloride and Part 2 allowed for an alternative dust suppression product.

The follow bids were received:

Bidder	Part 1 Bid (per flake tonne)	Part 2 Bid (per flake tonne)	Estimated Total Amount (not. incl. HST)
552976 Ontario Ltd. -Holland Transport		\$318.60 + HST	\$47,790.00
Da-Lee Dust Control Ltd.	\$383.52 + HST		\$47,940.00
Pollard Distribution Inc.	\$448.80 + HST		\$56,100.00

The unit price for Part 1 was based on 125 flake tonnes of material and Part 2 was based on 150 flake tonnes.

Township staff were surprised by the 26% increase in the unit price of "20% Calcium Chloride" compared to 2020. When the bidder was asked for an explanation, they cited increases in overhead and a reduced supply of this material available. The unit price of 35% Calcium Chloride increased 6% compared to 2020.

Staff recommend continuing the use of both products as a means of mitigating the impact to the operating budget. We will consider using only 35% Calcium Chloride in 2022 because the difference in unit price compared to "20% Calcium Chloride" appears to be in decline.

Financial Impacts:

The proposed 2021 Operating Budget has allocated \$87,500 for dust control products and services. Based on the tender results, we anticipate an expenditure of approximately \$97,400 (including non-recoverable HST). Township staff recommend finding cost savings in other areas of the operating budget rather than reducing the quantity of material applied to our roadways or re-tendering.

Strategic Alignment / Link:

We are a prosperous community that continues to grow in a sustainable manner by investing in infrastructure.

Respectfully Submitted By:

John Yungblut, Director of Public Works

Approved By:

Mary Rose Walden, Chief Administrative Officer