

THE MUNICIPALITY OF LAMBTON SHORES

Report DPW 02-2025

Council Meeting Date: March 25, 2025

TO: Mayor Cook and Members of Council

FROM: Nick Verhoeven, Director of Public Works

RE: 2025 Operating Budget – Granular ‘M’ Gravel Supply and Delivery

RECOMMENDATION:

THAT Report DPW 02-2025 regarding the Tender award for the 2025 Gravel supply and delivery be received; and

THAT the Tender received from Johnston Brothers Bothwell Limited in the amount of \$20.02/tonne net HST for the supply and delivery of Granular ‘M’ Gravel be accepted at a volume of 30,000 tonnes; and

THAT the Mayor and Clerk be authorized to sign any associated contract agreements.

SUMMARY

This report presents a summary of the Tender award for the 2025 supply and delivery of granular ‘M’ gravel. Staff is recommending award to Johnston Brothers Bothwell Ltd.

BACKGROUND

In the 2025 Operating budget Lambton Shores included \$635,000 for the supply and delivery of granular ‘M’ gravel material to various roads within Lambton Shores. The material is required to maintain gravel roads. The tender was released with an estimated quantity of 30,000 tonnes placed which is set by the Municipality’s desired level of service.

The tender was released in January 2025 and closed on February 13, 2025 with 2 submissions. The results are presented below:

Bidder Name	Bid Submission Before Tax	Net Cost to Lambton Shores
Johnston Bros. Bothwell Ltd	\$590,100.00	\$600,485.76
McKenzie Henderson Ltd.	\$616,500.00	\$627,350.40

The price per tonne of the lowest tender is \$20.02 net HST.

Previous years prices per tonne net HST have been as follows:

2024	\$20.02
2023	\$19.51
2022	\$16.96
2021	\$14.68
2020	\$14.17
2019	\$14.02

The Unit price by the low bidder is equal to the unit price for 2024.

In accordance with the municipality's purchasing policy this contract must be awarded by Council because the contract value is over \$100,000. Staff have had the opportunity to review and confirm the low tender. The bid document was found to be complete, is acceptable contractually, the supplier is a reputable contractor in this area of work and has performed this work for Lambton Shores each year since 2020. As such, staff recommend award of the tender from Johnston Bros. Bothwell Ltd net of HST price of \$20.02/tonne at a quantity of 30,000 tonnes.

ALTERNATIVES TO CONSIDER

The tender for this material was released in keeping with the Municipality's Purchasing Policy to ensure the Municipality is receiving competitive market price for the purchase.

RECOMMENDED ACTIONS

Staff are recommending that the contract for gravel supply be awarded to Johnston Bros Bothwell Ltd at \$20.02 per tonne net HST at a quantity of 30,000 tonnes.

FINANCIAL IMPACT

The Municipality has a budgeted amount of \$635,000 within Transportation Services Loose Top Maintenance for the purchase of Granular 'M' material in 2025. The net of HST price of the tender received from Johnson Brothers Bothwell Limited is \$600,485.76.

CONSULTATION

Dan Wood, Transportation Manager
Rebecca Clothier, Director of Financial Services