



Meeting Date: June 5, 2024

Prepared By: Andrew Giesen, C.E.T, PMP – Transportation Manager

Submitted by: Rob Cascaden, P.Eng – Director – Public Works and Engineering

Report No: PWE 28-2024

Subject: Bulk Road Salt Tender Award

Recommendation:

THAT Report PWE-28-2024, re: Bulk Road Salt Tender Award be received;

AND THAT Council award the bulk road salt tender to Compass Minerals in the amount of \$77.65 per tonne picked up or \$92.22 per tonne delivered;

AND FURTHER THAT the Director of Public Works and Engineering be authorized to execute any necessary purchase agreements with Compass Minerals.

Purpose:

To inform Council of the tender results of the Bulk Road Salt Tender.

Background:

In accordance with the corporate Procurement of Goods and Services Policy. Tender RFQ-PWE-2024-01 was publicly tendered via Bids and Tenders for the supply and or supply and delivery of bulk road salt to the municipalities two operations centres.

Following the submission of bids on Thursday, May 9, 2024, tender submissions were reviewed.

Analysis:

Two submissions were received for the Bulk Road Salt Tender, the results of which can be found below.

Supply & Delivery of Bulk Road Salt

Supplier Name	Unit Price per tonne (excl HST)
Compass Minerals	Salt supplied for municipal pick up \$76.65 Salt delivered to municipal yard \$92.22
Cargill Salt, Road Safety a Division of Cargill Limited	Salt supplied for municipal pick up \$97.02 Salt delivered to municipal yard \$123.35

The amount of salt required varies from winter season to winter season depending upon the weather conditions. Middlesex Centre spent approximately \$116,190 (approximately 1,754 tonnes of salt) and \$97,000 (Approximately 1,430 tonnes of salt) on road salt for winter road maintenance in 2022-2023 and 2023-2024 seasons respectively.

The 2024 budget for winter maintenance materials was approved at \$200,000. The low bid pricing provided by Compass Minerals is a year over year price increase of 14.8%.

Over the last two years the municipality has been picking up salt directly from Compass Minerals Goderich salt mine which has resulted in cost savings of approximately \$7.07 per tonne over the cost of salt delivered to the municipal operations centres. Staff will continue to pickup salt from Compass Minerals as a cost-effective means of securing salt for winter road maintenance. The tender is structured that should Middlesex Centre require salt be delivered due to equipment breakdowns or unforeseen circumstances, the municipality still retains the ability to do so.

Financial Implications:

All costs associated with the purchase of bulk road salt can be accommodated within the Council approved 2024 budget. The estimated cost for supply of bulk road salt for the 2023-2024 winter maintenance season is \$122,026 (excl HST). Additionally liquid calcium pre wet is estimated to cost \$24,000 (excl HST), and winter sand screening is estimated to cost \$10,000 (excl HST) for 2024 all of which can be accommodated within the Council approved budget.

Strategic Plan:

This matter aligns with following strategic priorities:

- Sustainable Infrastructure and Services
- Securing bulk road salt for winter maintenance activities will ensure a safe and reliable transportation system during the winter months.

Attachments:

N/A