

Re: Tenders for Contract #7405  
Asphaltic Concrete Supply

Following is a report from the Purchasing Agent and the Municipal Engineer regarding tenders for the supply of asphaltic concrete (see attached tabulation). Also Attached are worksheets that show how the tendered amounts less asphalt costs were calculated.

The 1973 and tendered 1974 unit prices are as follows:

<u>Description</u>	<u>Prices</u>	
	<u>1973</u>	<u>1974</u>
Hot Mix Type IV	\$5.80	\$6.60
Hot Mix Type V	6.05	6.80
Hot Mix Type VI	6.80	9.20
Cold Mix Type IV	6.60	9.55
Cold Mix Type V	7.00	10.20

RECOMMENDATIONS:

THAT the tender as submitted by Columbia Bitulithic Limited, as the most advantageous and as the lowest total price and as recommended by the Municipal Engineer and the Purchasing Agent be accepted; and

THAT final payment be based on the actual quantities and the unit prices tendered and adjusted as required by escalation of costs as provided in the contract.

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TO: MUNICIPAL MANAGER

DATE: April 30, 1974

FROM: PURCHASING AGENT

RE: Tenders for Contract #7405  
Asphaltic Concrete Supply  
F.O.B. Plant

Tenders were received up to 3:00 p.m. local time, on Friday the 19th day of April, 1974 for the subject material.

The work of this contract consists of the supply of specification asphaltic concrete of approximately 6,850 tons F.O.B. the supplier's plant.

The termination date of this Contract would be April 30, 1975.

Five tenders were received and opened in the presence of Messrs. Greene, Walters, Constable, Hagen and representatives of the firms bidding.

A tabulation of the tenders received is attached.

As you are aware all products derived from crude oil are currently subject to rapid price inflation to the point where asphalt mix suppliers will not enter into contracts based on fixed prices and for this reason for the first time, the subject tender and subsequent contract includes a price escalation clause applicable to all crude oil derivatives and energy producing materials.

The text of the clause included in the Special Provisions was:

Cost Escalation of Energy Related Materials -  
 The Corporation will make an equitable adjustment to Contract unit prices where the asphalt work is affected by the following defined energy related material changes in price.

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During the Contract term, the Contractor shall advise the Engineer in writing of any changes in the manufacturer's posted published prices. The unit prices of asphaltic concrete mix shall be adjusted for payment purposes using the following proportions as a basis of calculation.

- Liquid Asphalt - 6% liquid asphalt by weight.
- Heating Oil - 3 Imperial Gallons per ton of asphaltic mix supplied.
- Natural Gas - Five Therms per ton of asphaltic concrete mix supplied.
- Propane, Butane - Six Imperial Gallons per ton of asphaltic concrete mix supplied.

The Contractor shall list with his tender the posted prices, rates or tariffs of each of the above materials together with a list showing his plants to be used and the materials used at each plant.

Increases in costs of other energy sources such as electricity, gasoline, lube oil, diesel fuel for trucks shall be allowed for in the Contractor's unit prices and shall not be paid for by the Corporation.

The same clause has been used previously by the City of Vancouver and the Municipality of Richmond.

In addition to considerations of lowest bid prices, this tender therefore must be evaluated on the basis of the affect of future price escalations and, as has been done in the past, on haul distances to the supply plants.

Inspection of the tenders indicates that the low three tenders should be evaluated in more detail as one of them will produce the most advantageous tender for our acceptance. The following tabulation indicates the cost of liquid asphalt at the quoted prices and the basically non-escalating costs of the mix when stripped of the asphalt cost. It also indicates the haul distance between the Municipal Service Centre (a central location) and the respective plants.

Tender	Liquid Asphalt Cost/Ton F.O.B. Mixing Plant	Liquid Cost per Ton of Mix	Tender Less Asphalt Cost	Haul	
Columbia Bitulithic	\$51,087.75	\$44.23	\$2.65	\$30,502.50	7.35 mi.-N.Van. 9.60 mi.-Coq.
Win Van Paving	\$51,828.00	Not Quoted	\$2.00	\$35,660.00	6.8 mi.-N.West.
Imperial Paving	\$54,736.50	\$51.40	\$3.08	\$31,032.00	13.6 mi.-Richmond

It should be noted that the tender asked tenderers to quote the current asphalt suppliers posted price which will form the fixed base for all future cost increase calculations. We have been informed that the posted price is \$36.70 per ton to which must be added 12% + 5% taxes and transportation cost from the suppliers depot to the mix plant. We consider that the price provided by Columbia Bitulithic of \$44.23 is an accurate statement of this price, that by Win Van Paving is not the posted list price and has no factual basis, and that of Imperial Paving is not the posted list price but

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rather the actual current supplied price to that Contractor.

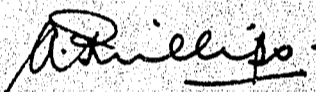
RECOMMENDATIONS:

THAT the tender as submitted by Columbia Bitulithic Limited is the most advantageous as well as the lowest total price and is therefore recommended for acceptance by the Municipal Engineer and the Purchasing Agent; and

THAT final payment be based on the actual quantities and the unit prices tendered.

KFW/jk  
Attachment  
c.c. Municipal Clerk

  
K.F. Williams  
PURCHASING AGENT

  
for MUNICIPAL ENGINEER

THE CORPORATION OF THE DISTRICT OF BURNABY  
TABULATION OF TENDERS FOR  
CONTRACT #7405  
ASPHALTIC CONCRETE SUPPLY - F.O.B. PLANT

PURCHASING DEPARTMENT  
April 19, 1974

TENDER NO.	COMPANY	TOTAL
1	Imperial Paving Ltd.	\$54,736.50
2	Standard General Construction Ltd.	56,293.12
3	Winvan Paving-Div. of Capital Construction Co. Ltd.	51,828.00
4	Jack Cewe Ltd.	66,281.25
5	Columbia Bitulithic Ltd.	51,087.75

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ASPHALTIC CONCRETE SUPPLY, F.O.B. PLANT

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 PURCHASING AGENT'S  
 OFFICE

SCHEDULE OF APPROXIMATE QUANTITIES AND PRICES

Quantities shown in this schedule are approximate only. Unit prices quoted will be used for the purpose of comparison of tenders, for calculating progress payments, or any authorized additional works or deductions, and shall include the supply of all approved material, labour, equipment, tools, and plant required to perform the work. The bidder shall insert a unit price opposite every item. Each item shall be accurately extended and columns totalled to produce an accurate total, otherwise the tender shall be classified as unbalanced and may be rejected.

NOTE: ALL QUOTATIONS MUST BE TYPEWRITTEN

Item	Description	Approx. Quantity	Unit Price for Supply Only	Extended Total
<u>Supply Only - F.O.B. Plant</u>				
			COST OF AGGREGATES IN THE MIX 3.95	\$6.60 -2.65 \$3.95
(1)	Hot Mix Type IV 3/4..	1,000 tons	6.60 /ton	6,600.00
(2)	Hot Mix Type V 1/2.	5,000 tons	6.80 /ton	34,000.00
(3)	Hot Mix Type VI 3/8.	550 tons	9.20 /ton	5,060.00
(4)	Cold Mix Type IV 3/4.	100 tons	9.55 /ton	955.00
(5)	Cold Mix Type V 1/2.	200 tons	10.20 /ton	2,040.00
<b>TOTAL</b>				<b>\$ 48,655.00</b>
Value of 5% S.S. & M.A. Tax on Total				2,432.75
<b>TOTAL TENDER</b>				<b>\$ 51,087.75</b>

PROPOSER'S DECLARED PRICE OF LIQUID ASPHALT AT THE TIME OF THE BIDDING  
 Less ASPHALT 3,952.00  
 = 28,750.00  
 3,602.00  
 690.00  
 1,510.00  
 30,502.00  
 FIRM PRICE OTHER THAN FUEL OILS

The above-listed unit prices do not include 5% S.S. and M.A. Tax, said tax to be paid by the Corporation to the Contractor in addition to unit prices shown.

Two plants: Leader Ave. - Coquitlam  
 Riverside Dr - N. Vancouver

No asphalt supplier specified



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PURCHASING AGENT'S  
OFFICE

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NOTE: ALL QUOTATIONS MUST BE TYPEWRITTEN

Item	Description	Approx. Quantity	Unit Price for Supply Only	Extended Total
<u>Supply Only - F.O.B. Plant</u>				
(1)	Hot Mix Type IV .....	1,000 tons	$\frac{4.90}{\$ 6.90}$ /ton	\$ 6,900.00
(2)	Hot Mix Type V .....	5,000 tons	$\frac{5.17}{7.17}$ /ton	35,850.00
(3)	Hot Mix Type VI .....	550 tons	$\frac{5.60}{7.60}$ /ton	4,180.00
(4)	Cold Mix Type IV .....	100 tons	$\frac{5.90}{7.90}$ /ton	790.00
(5)	Cold Mix Type V .....	200 tons	$\frac{6.20}{8.20}$ /ton	1,640.00
TOTAL				\$ 49,360.00
Value of 5% S.S. & M.A. Tax on Total				2,468.00
TOTAL TENDER				\$ 51,828.00

less Asphalt  
4,900.00  
25,850.00  
3,080.00  
590.00  
1,240.00  
35,660.00

The above-listed unit prices do not include 5% S.S. and M.A. Tax, said tax to be paid by the Corporation to the Contractor in addition to unit prices shown.

*Asphalt Supply - 10/11/74*

*P. T.*

*10/11/74*

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SCHEDULE OF APPROXIMATE QUANTITIES AND PRICES

Quantities shown in this schedule are approximate only. Unit prices quoted will be used for the purpose of comparison of tenders, for calculating progress payments, or any authorized additional works or deductions, and shall include the supply of all approved material, labour, equipment, tools, and plant required to perform the work. The bidder shall insert a unit price opposite every item. Each item shall be accurately extended and columns totalled to produce an accurate total, otherwise the tender shall be classified as unbalanced and may be rejected.

NOTE: ALL QUOTATIONS MUST BE TYPEWRITTEN

Item	Description	Approx. Quantity	Unit Price for Supply Only	Extended Total
<u>Supply Only - F.O.B. Plant</u>				3.08
(1)	Hot Mix Type IV	1,000 tons	<sup>4.32</sup> \$7.40 /ton	7,400.00 <sup>4,920.00</sup>
(2)	Hot Mix Type V	5,000 tons	<sup>4.52</sup> \$7.60 /ton	38,000.00 <sup>22,600.00</sup>
(3)	Hot Mix Type VI	550 tons	<sup>4.72</sup> \$7.80 /ton	4,290.00 <sup>2,596.00</sup>
(4)	Cold Mix Type IV	100 tons	<sup>4.92</sup> \$8.00 /ton	800.00 <sup>492.00</sup>
(5)	Cold Mix Type V	200 tons	<sup>5.12</sup> \$8.20 /ton	1,640.00 <sup>1,024.00</sup>
TOTAL				\$ 52,130.00 <sup>31,032.00</sup>
Value of 5% S.S. & M.A. Tax on Total				2,606.50
TOTAL TENDER				\$ 54,736.50

The above-listed unit prices do not include 5% S.S. and M.A. Tax, said tax to be paid by the Corporation to the Contractor in addition to unit prices shown.

Liquid Asphalt - \$51.40 per ton, all taxes included & F.O.B. Plant  
 Heating Oil - .225¢ per gallon, all taxes included & F. O.B. Plant  
 Natural Gas - not required for operations  
 Propane, Butane - not required for operations

51.40  
 6%  
 3.08

*No asphalt supplies specified*

*Plant: 837 River Rd.*