



Item
Meeting 2018 Aug 27

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2018 August 20

FROM: DIRECTOR FINANCE **FILE:** 5820-20

SUBJECT: **CONTRACT EXTENSION** *Reference* RFQ #120-07/15
TOP DRESSING SAND

PURPOSE: To request Council approval for a one year contract extension for the supply and delivery of top dressing sand products.

RECOMMENDATION:

- 1. THAT** Council approve a one year contract extension for \$106,400.00 including taxes in the amount of \$11,400.00 to Target Products Ltd., as outlined in this report. Final payment will be based on unit prices and actual quantities ordered.

REPORT

The work of this contract involves the supply and delivery of top dressing sands that are both inventoried as well as delivered directly to jobsites as required by various City work crews.

In 2015 July, the City awarded a one year contract to Target Products Ltd., for a total value of \$139,024.94 including applicable taxes in the amount of \$14,895.53. The initial contract was for the period 2015 August 01 to 2016 July 31 with options for up to four individual one year extensions at the discretion of the City. The City has since renewed two additional years for \$261,691.40 including applicable taxes in the amount of \$28,038.36 with a total value of \$400,716.33 including applicable taxes in the amount of \$42,933.89.

This recommendation is for the third renewal, effective 2018 September 01 to 2019 July 31 for an estimated value of \$106,400.00 including applicable taxes in the amount of \$11,400.00. Target Products Ltd. has increased product pricing an average of 4% mainly due to increased operating and material costs. Total estimated contract value will be \$507,116.33 including applicable taxes in the amount of \$54,333.89. Target Products Ltd. has a proven track record in the supply of these products and has met the delivery requirements of the City during the contract term. The Director Parks, Recreation & Cultural Services concurs with this recommendation.

Funding for the contracted material is provided in various Operating and Capital accounts within the 2018 – 2022 Financial Plan.

Noreen Kassam, CPA, CGA
 DIRECTOR FINANCE

NK:GC:ML/ew

Copied to: Director Parks, Recreation & Cultural Services