

EVENT #7

Confirm Oxford Sand and Gravel Class 5 Stone Chip as shown on 1994 Summary of Aggregate Quotations At \$4.60 per tonne at Woodstock Pit and Delivered Price at \$6.60 per tonne.

**Anderson in Chief Page 748 and Page 749
Page 748 #1 (Transcript #5)
Page 749 #2 (Transcript #5)**

Comment:

Confirms Oxford's quote of \$2.00 per tonne for delivery with total delivery cost \$6.60 per tonne. This stated total delivered cost to Delhi Township yard confirmed to be false.

- See F.O.L response dated April 6, 1995, Request 2-95 #3

Total tonnage stone chips purchased 1994 Oxford Sand and Gravel Class 5, 352.78 tonnes delivered \$8.00 without tax. \$8.24 with tax?

Anderson stated Oxford Sand and Gravels' quote to haul stone chips 42 Kilometers from their Woodstock pit to Delhi Township was \$2.00 per tonne, but if you subtract \$4.60 per tonne cost of stone chips from the delivered price of \$8.00 per tonne, it leaves a trucking cost of \$3.40 per tonne Not \$2.00 per tonne.

Page 968 #5

Anderson confirms that Oxford Sand and Gravels' Class 5 Aggregate failed specification and was disqualified which make it irrelevant at that point whether or not they were the low bid. However, the record shows that 352.78 tonne of Class 5 was purchased anyway in contravention of quotation conditions.

his quotation response. What he had shown in the case of the class five was he showed 9.15 per tonne at his Delhi pit which is only half a kilometre away from our yard and he showed a second price of 7.95 per ton up at his pit two and four location in Burford township and what I was comparing that against was the 4.60 per ton that Oxford Sand and Gravel was offering at their location.

Q. Now the plaintiff-, plaintiff's allegation is that these numbers don't take haulage costs into consideration.

A. No.

Q. Now can you tell me whether or not that's going to make a difference as to who's the lowest bid?

A. Well haulage costs do make a difference and these costs do not take haulage into consideration. What we did at that time, I don't know if I should continue?

Q. Yes.

A. What we did at that time was we were going through part of our transition at the, in the public works department and at the time I prepare this quote I prepare quotes or start on them a couple or three months before they actual, actually become reality and during that time between preparing it and then sending it out I typically send them out a month earlier I didn't realized the impact that our three retirements were going to have. So after this quotation closed I was then three truck drivers shorter of what I had been before. So what I did was I took these quotations and I looked at them and I went through the same process. I looked at who is the lowest and it was Oxford Sand and Gravel. I figured myself it would cost me a bit over \$2 a ton to haul it from their location to my yard. So with that in mind I had the operations manager of the day contact Oxford Sand and Gravel and ask

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* 5 them what, what would it be for them to take that quotation and provide me with what would the haulage costs for them to bring it down to my, my location would be and they said they'd do it for \$2 a ton. So when they said \$2 a ton I thought it's a little cheaper than I can do it and I don't have the men to do it anyway so for 6.60 a ton, 6.60 still compares very well with 7.95 which is probably 25 kilometres away or in that ball park or 9.15 which is only half a kilometre away it was almost \$3 a ton cheaper so that's why we made that decision.

* 10 Q. Okay. Now just to follow up on that Oxford Sand and Gravel then was chosen as the supplier for class five.

A. That's correct.

* 15 Q. Okay. Did you have any problems with that?

A. Yeah we did. We-, after we'd gone through this process and agreed with Oxford they could deliver, start delivering materials to the yard they delivered materials to the yard. When they came into, they deposited it and then at the same time I was doing some, I had a consulting engineer, a soils consultant down to be doing just general tests on other products and things like that so he took a sample of the class five at the same time. He then reported back to us that you know, that their class five was out of spec.

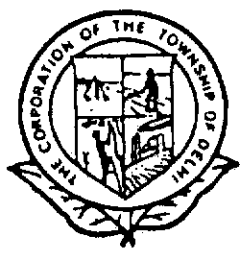
25 Q. Out with spec with respect to gradation or...

A. I think it was just gradation and it might have been a crush count problem but I'm not sure.

Q. Okay.

30 A. But it was out of spec sufficiently that we had concern that we didn't want to utilize it at that

Township of DELHI



P.O. Box 182 • 183 Main Street • Delhi, Ontario CANADA N4B 2W9
Tel: (519) 582-2100 Fax: (519) 582-4571

April 6, 1995

Nichols Gravel Limited
Box 172
Delhi, Ontario
N4B 2W9

Dear Sir:

RE: Freedom of Information Access Request 2-95

With respect to your request for access to information, please find the following information:

1. Total purchases of granular A, 1994 for each separate project:
 1. the supplier;
 2. Unit price per tonne;
 3. Tonnage purchased - see attached.
- *2. Total tonnage of stone chips purchased 1994
 1. Class 1, supplier, and unit price per tonne F.O.B. pit and delivered to township;
 2. Class 5, supplier, and unit price per tonne F.O.B. pit and delivered to township - see attached.

The cost associated with the processing of this request is as follows:

Search time:	<2 hours	Cost:	(0.0X \$30.00) =	\$00.00
Preparation time:	.0 hours	Cost:	(0.0X \$30.00) =	\$00.00
Copies:	0 copies	Cost:	(00 X \$00.20) =	\$00.00
Total Cost:	\$0.00			
Deposit:	\$----			
Balance due:	\$0.00			

Yours truly

Betteanne M. Cadman, CMC, CMO
Clerk

1. Total purchases of granular A 1994 for each esparate project:

<u>Supplier</u>	<u>Project</u>	<u>Unit Cost</u>	<u>Units</u>
GMC Sand & Gravel	Queen St. Delhi (Reconstruction)	\$23.50/cu.m	716.7
GMC Sand & Gravel	Road 6 Windham (Reconstruction)	\$3.729/tonne	2587.78
Norfolk Quarries	Maintenance	\$5.21/tonne	2711.80
Norfolk Quarries	Maintenance	\$5.36/tonne	478.65
Norfolk Quarries	Maintenance	\$7.21/tonne (delivered)	55.35
GMC Sand & Gravel	Maintenance	\$3.729/tonne	63.44

*Please note that some of the unit cost shown above include delivery, placement, compaction and watering.

2. Total tonnage of stone chips purchased 1994:

<u>Supplier</u>	<u>Class Aggregate</u>	<u>Units</u>	<u>Price</u> Pit Deliver	<u>Place</u>
Duncor Enterprises	Class 1	280,157.50 sq. metres of single surface treatment (finished product)		\$1.31
Dynapatch	Class 1 and Class 5	7,530 sq. metres of finished product		\$1.80
* Oxford Sand & Gravel	Class 5	352.78 tonnes	\$8.00	9.04 W/TAX CST & PST 10 Feb 65
* TCG Materials	Class 5	1134.9 ^{1134.9} TONNES 858.21 tonnes _{(@ 9.82 410,617.00}	\$8.75	9.82 Tax 65 T & PST
Norfolk Quarries	Class 1	101.15 tonnes	\$5.96	
Norfolk Quarries	Class 1	494.65 tonnes	\$7.96	

*Please note that information requested is not available totally in the format requested (i.e. tonnes), therefore the information provided is in the units/quantities that they were purchased in.

968

D. Anderson - Cr-ex.

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A. That would have been an additional one yes.

Q. Now am I correct as it turned out that the class five aggregate that Oxford Sand & Gravel delivered didn't meet spec?

A. That's correct. It had, it had not met specifications.

Q. And as a result you didn't accept it and you went out and I think you said you hired a third party?

A. I believe we got some aggregate from another source, yes.

Q. T.C.G.?

A. That might have been T.C.G. in '94.

Q. And I note that T.C.G. hadn't even bid on this quotation. Am I correct?

A. Well yes and this is a quotation so there is no, as I've indicated previously there was no guarantee that we'd buy any quantity from any person or any company and there was no guarantee to purchase from anybody.

Q. All right.

A. T.C.G. had approached us, I think the time frame that we bought from T.C.G. was a little after this, and they had approached us because they were now producing that product or aware that we would use it occasionally and provided us with a, with a price and we agreed to take some on a trial basis and see how it performed.

Q. Now this particular summary that you prepared, the one I'm looking at at tab 21 had you provided a copy of that to Mr. Gelinas?

A. I'm not sure if I provided this copy or, it would have been part of the public works agenda that I would have given to Mr. Gelinas.

10/15/95

TELEPHONE
OFFICE (519) 456-2034
FAX (519) 456-5238



P.O. BOX 456
WOODSTOCK, ONT.
N4S 7Y5

GST Registration No. R104035118

SOLD TO:
TOWNSHIP OF DELHI
P.O. BOX 182
183 MAIN STREET
DELHI, ONTARIO
N4B 2W9

SHIP TO:
TOWNSHIP OF DELHI
P.O. BOX 182
183 MAIN STREET
DELHI, ONTARIO

COMMERCIALLY APPROVED

CUSTOMER NO	INVOICE DATE	CUSTOMER P.O. NO	TERMS	INVOICE NO
TWPDEL	June 14, 95		Net 30 Days	21389

SHIPPING REF	ITEM NO.	DESCRIPTION	QUANTITY	UNIT PRICE	AMOUNT
49182	227	Class 5 Stone	34.70	6.00	208.20
49182	300	Delivery Chgs.	34.70	4.51	156.50
49103	227	Class 5 Stone	35.49	6.00	212.94
49103	300	Delivery Chgs.	35.49	4.51	160.06
49107	227	Class 5 Stone	33.82	6.00	202.92
49107	300	Delivery Chgs.	33.82	4.51	152.53
				Total	1,093.15
				G.S.T.	76.52
				P.S.T.	49.93
				Invoice Total	1,219.60

INVOICE