

Report TR-CW-09-17

To: Warden Barfoot and Members of Grey County Council
From: Pat Hoy, Director of Transportation Services
Meeting Date: March 9, 2017
Subject: **Request for Proposal for a Quarry Study**
Status: Recommendation adopted by Committee as amended per Resolution CW41-17; Endorsed by County Council March 23, 2017 per Resolution CC13-17;

Recommendation

- 1. That Report TR-CW-09-17 be received and that Transportation Services release a Request for Proposal to develop a study for the Grey County quarry and;**
- 2. That Transportation Services utilizes an additional \$30,000 from the Transportation General Reserve, in addition to the \$30,000 currently in the budget, for a project budget of \$60,000.**

Background

Grey County released a Request for Proposal (RFP) in 2013 to analyze its quarry located on Grey Road 40. Although 2 proposals were received, both were over budget and the assignment was never awarded. The Director of Transportation Services then completed a study of the quarry internally and presented report TR-TAPS-70-15 Quarry Review to the Committee, resulting in resolution TAPS121-15 shown below:

WHEREAS Grey County owns a quarry located at 825725 Grey Road 40;

AND WHEREAS an internal review has been completed on the quarry operation that recommends the selling of the property for operational and financial reasons;

NOW THEREFORE BE IT RESOLVED THAT Report TR-TAPS-70-15 regarding the Quarry Review dated September 2015 be received for information;

AND THAT a further report be presented to Committee with additional information surrounding the licence and quarry, by the end of 2015.

During 2016, several tonnes of previously crushed material at the Grey Road 40 quarry were used to complete an emergency repair on Grey Road 119. That project reduced the amount of available crushed material to 33,088 tonnes. It is estimated that there are over 1.6 million tonnes of rock remaining in the quarry.

The Grey County Transportation Services staff Quarry Strategic Working Group began meeting in December 2016 by reviewing the previously completed Quarry Report and background information. The working group quickly determined that completing a quarry study is beyond the expertise of Transportation Services staff. The group is recommending that an RFP be issued to obtain the services of a consultant with specific expertise in the aggregate sector. During the project, the Quarry Strategic Working Group would remain in place to assist the consultant.

The project scope of work would include an analysis, at a minimum, of the following:

1. Continuing to operate the quarry as previous to 2012, with some operational improvements
2. Maintaining ownership and outsourcing some or all of the operation
3. Excavating below the water table and/or purchasing additional land to maximize material output
4. Leasing the quarry and establishing a future royalty structure
5. Selling the quarry

Financial/Staffing/Legal/Information Technology Considerations

Since the 2017 budget figures were submitted, staff have reviewed the previous procurement history and broadened scope of this project to include significantly more detail. It is estimated that the comprehensive analysis necessary will require 3 months of consulting time. A budget of \$60,000 is felt to be a realistic target for this work and staff recommend utilizing \$30,000 from the Transportation General Reserve in addition to the \$30,000 in the 2017 budget to establish a budget of \$60,000 for the study.

Link to Strategic Goals/Priorities

The Values Statement of the approved Corporate Strategic Plan includes Fiscal Responsibility.

Attachments

[TR-TAPS-70-15 Quarry Review](#)

Respectfully submitted by,

Patrick Hoy

Director of Transportation Services