



Committee of the Whole

April 14, 2026

Staff Report: #RDS-2026-30

REPORT BY: Kathryn Maton, Manager of Public Works

REPORT SUBJECT: Award Tender Extension (2026) for the Supply, Delivery and Application of Calcium Chloride

DEPARTMENT: Public Works

RECOMMENDATION(S):

***“THAT,** Council approve the award of a Tender extension for the Supply, Delivery, and Application of Calcium Chloride (Contract #PW-2025-01) to Da-Lee Services Inc. (dba Da-Lee Dust Control) for the 2026 year for \$157,524.48 (including non-recoverable HST);*

***AND THAT,** Council direct the Manager of Public Works to report back with an updated dust control plan for 2026 and beyond to optimize application and control costs.*

***AND FURTHER THAT,** the amount in excess of the \$140,000 for ‘Dust Control – Material’ in the 2026 budget (Operating) be funded from year-end surplus if available, otherwise from operating reserves.”*

1. BACKGROUND

The Township currently has four hundred and nine (409) road segments, which have designated road classifications. Some of the road segments have been updated in the geographic information system (GIS) by the current Manager of Public Works, based on a review of former staff reports, motions, and Capital Projects. A summary of the GIS data is presented below:

Road Class	Number of Segments	Surface Type	Total Length of Segments (m)
4	8	Asphalt	6,316
	26	Surface Treated	42,201
5	20	Asphalt	9,825
	28	Surface Treated	40,598
	36	Gravel	42,725
6	24	Asphalt	4,370
	13	Surface Treated	4,598
	227	Gravel	265,203
	1	Dirt	864

6B	20	Gravel	36,512
6C	6	Gravel	13,253
Totals	409	-	466,465

Notes:

- The above numbers were entered into the Township GIS database in April 2025 and are still under review. Surface types are still being confirmed based on Capital Projects completed since 2002.
- The assigned classifications of 6B and 6C are specific to Lanark Highlands and are not known to be referenced in any other legislation.

Based on the extent of the Township’s gravel road network (approximately 358 kilometres), there are a vast number of gravel roads within the Township that require dust suppression due to traffic during dry conditions. Traditionally, the Township uses 18 loads at 20,000 L per load, totalling 360,000 L of dust suppressant for the gravel road network. The application of Dust Suppressant (calcium chloride) typically occurs in June; however, the application is weather-dependent.

In the past, calcium chloride has been applied within the Township to roads with higher historical residential traffic volumes, and on a complaint basis. It should be noted that the Township has experienced a period of unprecedented growth since 2020, putting pressure on its road system, the Township’s most significant asset from a budgetary standpoint. Dust suppression operations has likely not been reviewed since the unprecedented growth, and have continued to be completed in accordance with historical operations and complaints/requests.

2. DISCUSSION

The Township released a tender on 18 March 2025 on www.Biddingo.com and the Township Website, with one bid submission received. The tender was for a one-year agreement (2025) with options for two additional one-year extensions (2026 and 2027).

The one-year contract was awarded to Da-Lee Services Inc., dba Da-Lee Dust Control.

Based on communication with suppliers and collaboration with neighbouring Townships, the Manager of Public Works understands that the list of vendors supplying calcium chloride services is very limited in Eastern Ontario, with Da-Lee Services Inc., dba Da-Lee Dust Control, as the primary supplier. For the above reason, the Manager requested costing to implement the one-year extension for 2026.

3. FINANCIAL IMPLICATIONS

A summary of the historical cost for the service is presented below:

Year	Cost per litre (not inclusive of HST)	Annual percentage increase	Annual Quantity (litres)	Annual Cost (not inclusive of HST)
2020	\$ 0.26	-	360,000	\$ 93,600.00
2021	\$ 0.26	0%	360,000	\$ 93,600.00
2022	\$ 0.32	23%	360,000	\$ 115,560.00
2023	\$ 0.34	5%	360,000	\$ 121,716.00
2024	\$ 0.35	3%	360,000	\$ 125,820.00
2025 ¹	\$ 0.39	11%	360,000	\$ 139,680.00
2026 ²	\$ 0.43	11%	360,000	\$ 154,800.00

Notes:

1 – The percentage increase in 2025 is determined to be from global supply limitations encountered by the United States of America (USA) and Canada.

2 – The percentage increase in 2026 is due to price increases announced by USA suppliers (OxyChem®) dated 2 December 2025 and 3 February 2026.

The quoted cost for 2026 is \$0.43/L, which is consistent with the costs submitted to neighbouring Townships, including Tay Valley and Mississippi Mills. Based on the typical annual amount of 360,000 L utilized by the Township, the proposed total for 2026 would be \$157,524.48 (including non-recoverable HST).

Currently, the 2026 Budget includes \$140,000 in the Operational Line Item “Dust Control - Material”. The Public Works Manager will develop and present a dust control plan, and the Public Works department will work with the contractor with the goal of optimizing application and minimizing/controlling costs, in an effort to reduce the \$17,524.48.00 estimated overage.

4. OPTIONS CONSIDERED

Option 1 (Recommended)

That Council approve the award of a Tender extension for the Supply, Delivery and Application of Calcium Chloride (Contract #PW-2025-01) to Da-Lee Services Inc. (dba Da-Lee Dust Control) for the 2026 year for \$157,524.48 (including non-recoverable HST), and that Council direct the Manager of Public Works to report back with an updated dust control plan for 2026 and beyond to optimize application and costs. For this option, the amount in excess of the \$140,000 for Dust Control in the 2026 budget (Operating) could be funded from year-end surplus if available, otherwise from operating reserves.

Option 2 – Re-tender (Not Recommended)

It is not recommended to re-tender in 2026, as there is no guarantee that additional bidders will submit costing, and it is anticipated that re-tendering may cause delays, higher costs, and further budgetary constraints.

5. STRATEGIC PRIORITIES

Excellent Core Service Delivery 5.2

6. RELEVANT LEGISLATION AND POLICIES

By-Law No. 2025-1969 – A By-Law to Define Procurement Policies and Procedures
Ontario Regulation 239/02 – Minimum Maintenance Standards for Municipal Highways
Establish Highways and Road Classification by-laws 2002-362 and 2020-1653 (as amended)

7. OTHERS CONSULTED

CAO
Clerk
Treasurer
Tay Valley Township Manager of Public Works
Da-Lee Services Inc. dba Da-Lee Dust Control

8. ATTACHMENTS

OxyChem®, December 2, 2025. Letter – *Re: Liquid Calcium Chloride Price Increases 2026.*
OxyChem®, February 3, 2026. Letter – *Re: Liquid, Flake and Pellet Calcium Chloride Price Increase.*

Prepared By: Kathryn Maton, Manager of Public Works

Approved By: Suzanne Charbonneau-Dent, CAO