



## 150-2006 ADDENDUM 2

### REQUEST FOR EXPRESSIONS OF INTEREST AND PROPOSALS FOR THE PURCHASE, LEASE OR OTHER COMMERCIAL ARRANGEMENTS FOR THE ASSETS OF GLACIAL SAND AND GRAVEL

#### **URGENT**

**PLEASE FORWARD THIS DOCUMENT TO  
WHOEVER IS IN POSSESSION OF THE  
REQUEST FOR PROPOSAL**

ISSUED: April 21, 2006  
BY: Joe Funk  
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**THIS ADDENDUM SHALL BE INCORPORATED  
INTO THE REQUEST FOR PROPOSAL AND  
SHALL FORM A PART OF THE CONTRACT  
DOCUMENTS**

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The following questions and responses are being provided as additional information:

**Q1. What is the City's historical material tonnage need and expected trend?**

A1. It is roughly estimated that the City has used between 300,000 and 500,000 tonnes of sands, gravels and aggregates (excluding crushed limestone) annually in the past few years. This includes aggregates used by contractors in redi-mix and asphaltic concretes supplied under City capital contracts but excludes aggregates used in pre-cast concrete products. The material types will vary somewhat year over year but general volumes are expected to remain similar in the coming five (5) years.

**Q2. What rate is Glacial's royalty customer paying and what are its tonnage commitments?**

A2. The customer is obligated to pay for a minimum of 100,000 tonnes of bank run annually and can take up to 300,000 tonnes annually before requiring formal approval for more. The pricing and other information related to the existing agreement is confidential and is not being shared at this time.

**Q3. Does Glacial/the City pay any form of income or business tax arising out of Glacial's operations?**

A3. As part of the municipal government, the Agency is not subject to corporate income taxes. However, in order to approximate a business model, the operation of the Agency is assessed with an income tax equivalency charge/recovery of 46% which is payable to (recoverable from) The City of Winnipeg. Amounts paid are directed to infrastructure renewal in the City of Winnipeg.