



Staff Report PW2023-013

Title of Report: PW2023-013 **Public Works Tender Award**
Recommendations
Department: Public Works
Branch: None
Council Date: April 5, 2023

Recommendation:

Be it resolved that Council receive Staff Report PW2023-013 for information; and
That Council award the 2023 Crushing Loading and Hauling 16mm Granular Material to Donegan's Haulage in the estimated amount of \$494,510.00 plus HST; and

That Council proceed with the purchase order approval from Joe Johnson Equipment for the 2024 International HV 607 chassis with automated Labrie body for a total price of \$485,801.00 plus HS; and

That Council approves funding this purchase through the addition of \$192,186.64 plus HST to the 2024 Capital Budget for the collection truck chassis cost, and \$293,614.36 plus HST to the 2025 Capital Budget for the Labrie body cost.

Background:

Staff re-issued the Crushed Gravel tender with the Holstein Pit quantities for the west side of the Township maintenance gravel applications, including hourly rates for loading, hauling and applying equipment and hopper trucks.

A Crushed Gravel Supply tender was also released for the supply of Granular "A" from a pit source to supply the east side of the Township with 26,000 tonnes to be applied by the contractor awarded from the hourly rate tender as mentioned above.

The Waste Collection Truck tender was also being released for the same closing period as above. Labrie Enviroquip Group will be pre-qualified for the automated 60/40 body split component purchased through the LAS – Canoe Procurement Group, with a negotiated discount of 51% off of the Manufacturer's Suggested Retail Price (MSRP).

The closing date was March 23, 2023 at 12 noon, followed by virtual opening at 1pm. The tenders were opened by Asset Manager and Deputy Treasurer Aakash Desai, Public Works Foreman/Fleet Manager John Watson, Public Works Administrative Assistant Lisa Wilson and Public Works Manager Jim Ellis.

Staff Comments: **Gravel Tender:**

Staff analysis of the tender bid pricing submitted for Purchase of Granular "A" Gravel for maintenance gravel for the east side of the Township concludes it is more cost effective to crush "A" gravel from our own Township pit source at Holstein for this year's supply. Loading, haul and apply will be charged at the hourly rates submitted by Donegan's Haulage.

There is currently a stockpile of "A" gravel at the Holstein pit, which will also be used for the quantities required, that will reduce the amount of crushed materials that will be required.

Staff recommends that Donegan's Haulage be awarded the 2023 Crushing Loading and Hauling 16mm Granular Material

Southgate Maintenance Gravel Cost Analysis

East side of Township

	Southgate Gravel Approx 1.5 Hour Avg Round Trip	Esker Lee Approx .75 Hour Avg Round Trip	Cedarwell Approx 1.5 Hour Avg Round Trip	Cox Construction Approx 1.5 Hour Avg Round Trip
Cost of Gravel/MT	\$3.00/MT	\$12.50/MT	\$8.25/MT	\$10.95/MT
Trucking @ \$180/Hr	\$7.71/MT	\$3.86/MT	\$7.71/MT	\$7.71/MT
Total cost per Tonne	\$10.71/MT	\$16.36/MT	\$15.96/MT	\$18.66
Total Cost for Gravel	\$215,200	\$327,200	\$319,200	\$373,200
Cost for Loader *	\$24,310	\$11,220	\$24,310	\$24,310
Total Cost	\$239,510	\$338,420	\$343,510	\$397,510

* Cost of loader based on average 6 trucks per day, average 35 Tonnes per load for 11 hours a day

West side of Township

	Donegan's Haulage	Walkers Aggregates
Crush, Load & Apply	\$225,000	\$287,500
Crush & Stockpile	\$30,000	\$55,000
Total Cost	\$255,000	\$342,500

Automated Waste Collection Truck:

The tender for the Automated Waste Collection Truck had 2 bid options from Joe Johnson Equipment submitted.

The first submission is for a 2024 International model HV607, which is a similar version of our current collection trucks with the Labrie body. It has a front axel load rating of 20,000 lbs, with front steer tires that are a 425/65 R221520 rating

The second truck option is for a 2024 Freightliner M2-106, both trucks have the same 360 HP L9 Cummins engines and Labrie body. This truck has a front axel load rating of 18,000 lbs, with front steer tires that are a 315/80 R22.5. This truck will sit lower compared to option # 1.

The warranties for engine and drive train are the same for 2 years, except the International has a 3-year transmission warranty compared to the option # 2 with a 2-year transmission warranty.

Staff recommends that Council consider approving to proceed with the Automated Collection Truck Tender to Joe Johnson Equipment for the first option of the International HV607 with Labrie body, expected delivery date in 2025.

Company	Make & Model	Cab & Chassis	Collection Body	Total Cost Exc HST	Delivery Date
Joe Johnson Equip	International HV607	\$192,186.64	\$293,614.36	\$485,801.00	Spring 2025
Joe Johnson Equip	Freightliner M2-106	\$129,510.19	\$293,614.36	\$423,124.55	Fall 2023

Financial Implications: Gravel Tender:

The 2023 Operational Budget has a gravel materials line item for \$425,000.00. The total estimated cost for granular "A" crushing, loading and hauling is \$494,510.00 plus HST. There will be a reduction in crushing quantities based on the current gravel stockpile at the Holstein pit. The shortfall will be funded through savings realized in the capital projects.

The cost of the 6,000 tonnes of construction gravel will be funded through the Capital Budget projects for Southgate Road 26 and Southgate Sideroad 75.

Automated Waste Collection Truck Tender:

The 2023 Capital Budget did not carry funding for 2023, as delivery was expected to be in 2024 for the chassis but was listed in the 2024 forecasted budget at an anticipated \$340,000.00.

Staff recommends that the 2024 Capital Budget include the collection truck chassis cost of \$192, 186.64 plus HST and the 2025 Capital Budget include the remaining budget for the Labrie body of \$293,614.36 plus HST.

Communications & Community Action Plan Impact:

Goal 5 - Upgrading our "Hard Services"

Action 5: The residents and businesses of Southgate recognize our linear services - roads, bridges, water and sewer works, for example - to be a fundamental purpose of municipal government. This infrastructure needs to be serviceable and sustainable so that our businesses and communities can thrive and grow.

Concluding Comments:

Staff recommends that Council receive Staff Report PW2023-013 for information, and that Council award the 2023 Crushing Loading and Hauling 16mm Granular Material to Donegan's Haulage in the estimated amount of \$494,510.00 plus HST, and that Council proceed with the purchase order approval from Joe Johnson Equipment for the 2024 International HV 607 chassis with automated Labrie body for a total price of \$485,801.00 plus HST.

Respectfully Submitted,

Dept. Head: *Original Signed By*

Jim Ellis, Public Works Manager

Deputy Treasurer Approval: *Original Signed By*

Aakash Desai, Asset Manager, Deputy Treasurer

CAO Approval: *Original Signed By*

Dina Lundy, CAO

Attachments: None