



Staff Report PW2023-019

Title of Report: PW2023-019 Waste Collection Truck Purchase
Approval
Department: Public Works
Branch: Waste Resources and Diversion Management
Council Date: May 3, 2023

Recommendation:

Be it resolved that Council receive Staff Report PW2023-019 for information; and
That Council approve to award the purchase order approval from Joe Johnson Equipment for a 2024 Freightliner M2-106 chassis with automated Labrie body for a total price of \$423,124.55 plus HST; and
That Council approves committing \$423,125 for this capital purchase in the 2024 Waste Resources and Diversion Management Capital Budget.

Background:

At the April 5, 2023 Council Meeting, Council received Staff Report PW2023-013 Public Works Tender Award Recommendations which included a staff recommendation to 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, 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.

After some discussion the following resolution was passed:

8.1.3PW2023-013 Public Works Tender Award Recommendations

Moved By Councillor John

Seconded By Deputy Mayor Dobrean

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 HST; 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.

Councillor Ferguson moved the following amendment to the main motion.

Amendment:

No. 2023-140

Moved By Councillor Ferguson

Seconded By Deputy Mayor Dobreen

Be it resolved that Council amend the motion to remove the third and fourth clauses and refer the approval of the collection truck chassis back to staff to bring forward further options for Council consideration at a future meeting.

Carried

Main Motion as Amended:

No. 2023-141

Moved By Councillor John **Seconded By** Deputy Mayor Dobreen

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 refer the approval of the collection truck chassis back to staff to bring forward further options for Council consideration at a future meeting.

Carried

Staff Comments:

Staff have confirmed with Joe Johnson Equipment, that the second automated collection truck option for a 2024 Freightliner M2-106 with Labrie body is still available with an anticipated delivery date in January, 2024.

Upon further review and reaching out to others, staff have the following comments:

- The Township's vehicle mechanic supports the recommendation of the Freightliner as the preferred option.
- In discussions with Francis Veilleux from Bluewater Recycling, they have not had issues with trucks with front axel load and suspension weights of 18,000 lbs. in their fleet.
- Joe Johnson Equipment will work with the Township to structure payment in 2024.

Financial Implications:

The 10-year capital budget had anticipated the purchase of this vehicle in 2024 and as such had budgeted \$340,000. The purchase was to be funded from reserves (\$127,235), sale of the current truck (\$15,000), and the levy (\$197,765).

The 2024 Freightliner M2-106 chassis is quoted at \$423,124.55 plus HST. Joe Johnson Equipment has presented to staff that upon delivery anticipated in January, 2024, the Township will have up to 90 days to issue payment. Staff is recommending that the shortfall of \$83,125.55 be funded through the levy given that this is a replacement asset as opposed to a growth asset.

In approving the recommendations in this report, Council should be aware that they are committing funds from the 2024 budget. The breakdown of funds would be

\$127,235 from reserves, \$15,000 from sale of the current truck, and \$280,890 from the 2024 levy.

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.

Strategic Initiatives:

5-B - The Township will have adopted a long-term asset management plan for the timely repair, replacement, and expansion of the Township's infrastructure, facilities, and other assets

Concluding Comments:

Staff recommends that Council receive Staff Report PW2023-019 for information, and that Council approve to award the purchase order approval from Joe Johnson Equipment for a 2024 Freightliner M2-106 chassis with automated Labrie body for a total price of \$423,124.55 plus HST, and that Council approves committing funding for this capital purchase in the 2024 Waste Resources and Diversion Management Capital Budget.

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: