

## Report to Council

<b>Report Title:</b>	One Ton Truck Purchase		
<b>Prepared By:</b>	Nicholas Schnurr, Director of Operations and John Strader, Operations Manager		
<b>Department:</b>	Operations		
<b>Date:</b>	September 12, 2023		
<b>Report Number:</b>	PW2023-21	<b>File Number:</b>	C11REC
<b>Attachments:</b>	N/A		

### **Recommendation:**

That the Council of the Municipality of Brockton hereby receives Report Number PW2023 – 21 - One Ton Truck Purchase, prepared by Nicholas Schnurr, Director of Operations and John Strader, Operations Manager and in doing so approves proceeding with the purchase of the One Ton Truck from Bud Rier Chevrolet and further approves Option \_\_\_\_ to finance the purchase.

### **Report:**

#### **Background:**

Over the last two years, the Operations Department has been searching for a One Ton Truck. There was no success when we issued an RFP more than two (2) years ago. Staff discovered that dealerships are not bidding on vehicle tenders as stock was very limited, and there could be no guaranteed delivery date. Staff placed a request for notification for when dealers had a vehicle matching the specifications needed.

Currently the Operations (Roads) Department has the following passenger vehicles:

#### **Walkerton Shop**

- 2021 One Ton Truck
- 2019 1/2 Ton Truck

#### **Brant Shop**

- 2019 ½ Ton Truck

#### **Greenock Shop**

- 2019 ½ Ton Truck
- 2018 ½ Ton Truck

In May 2023, the Roads department purchased a 2023 - 3500 Ram Cab and Chassis from Selkirk Chrysler in Manitoba for the Brant Shop, this was the only one found to be available with a delivery date for 2023. This

truck is to replace the 1996 one-ton truck that was pulled from service due to not meeting the safety requirements. Brockton has not received the 2023 Ram to date, however, it is in transit.

The Greenock Shop does not currently have a one-ton truck in their fleet and these trucks are often shared between shops which is often not ideal depending on the nature of tasks to complete. The one-ton truck is more practical for various tasks including picking up debris and cold patching the road as there are dump boxes on the one-ton, as well as the nature of the work sometimes requires a larger vehicle to reduce the number of trips to the landfill.

**Analysis:**

The operations budget for 2024 was slated to include a third one-ton pick up that would be assigned to the Greenock Shop. Recently staff were presented with an additional opportunity from Bud Rier Chevrolet Dealership for the purchase of a 2024 Chevrolet Cab and Chassis for \$73,448.94 (including HST). This is in line with the 2023 Ram truck in transit for comparative purposes. With the limited availability of vehicles of this nature as identified through the RFP process and the long-time frames for delivery staff are requesting Councils approval for the purchase of the 2024 Chevrolet one-ton truck for Greenock. This will require an exemption from the Purchase and Procurement Policy for the following reasons:

(a) **No Compliant Bids Received:** If (i) no Bids were submitted or no suppliers requested participation; (ii) no Bids that conform to the essential requirements of the RFX documentation were submitted; (iii) no suppliers satisfied the conditions for participation; or (iv) the submitted tenders were collusive, provided that the requirements of the tender documentation are not substantially modified; (OQTCA, CFTA, CETA)

(d) **Commodity Market Goods:** for Goods purchased on a commodity market such as electricity, postal services, postage, water, fuel, natural gas, furnace oil; (OQTCA, CFTA, CETA)

Staff are presenting three options for Councils consideration for the purchase of the 2024 Chevrolet:

**Option A:**

Use monies from the Roads Reserve Funds for the purchase. Currently the projected ending balance as of December 31, 2023 is, \$1,158,004.

**Option B:**

Financing at 8.99-9.74%, for \_\_\_\_ term, this option comes with a \$1,000 discount on the purchase price.

<b>TERMS</b>	<b>12</b>	<b>24</b>	<b>36</b>	<b>42</b>	<b>48</b>	<b>54</b>
<b>RATE</b>	<b>8.99%</b>	<b>8.99%</b>	<b>8.99%</b>	<b>8.99%</b>	<b>8.99%</b>	<b>8.99%</b>
<b>PAYMENT \$</b>	<b>\$6,432.31</b>	<b>\$3,360.57</b>	<b>\$2,339.29</b>	<b>\$2,048.70</b>	<b>\$1,830.91</b>	<b>\$1,660.63</b>
<b>TERMS</b>	<b>60</b>	<b>72</b>	<b>78</b>	<b>84</b>	<b>90</b>	<b>96</b>
<b>RATE</b>	<b>8.99%</b>	<b>8.99%</b>	<b>9.49%</b>	<b>9.49%</b>	<b>9.74%</b>	<b>9.74%</b>
<b>PAYMENT \$</b>	<b>\$1,527.34</b>	<b>\$1,326.50</b>	<b>\$1,268.32</b>	<b>\$1,202.88</b>	<b>\$1,156.19</b>	<b>\$1,107.19</b>

**Option C:**

Financing at 5.99%, for \_\_\_\_ term.

<b>TERMS</b>	<b>12</b>	<b>24</b>	<b>30</b>	<b>36</b>	<b>42</b>	<b>48</b>
<b>RATE</b>	<b>5.99%</b>	<b>5.99%</b>	<b>5.99%</b>	<b>5.99%</b>	<b>5.99%</b>	<b>5.99%</b>
<b>PAYMENT \$</b>	<b>\$6,422.00</b>	<b>\$3,307.37</b>	<b>\$2,685.21</b>	<b>\$2,270.42</b>	<b>\$1,974.69</b>	<b>\$1,752.88</b>
<b>TERMS</b>	<b>54</b>	<b>60</b>	<b>66</b>	<b>72</b>	<b>84</b>	
<b>RATE</b>	<b>5.99%</b>	<b>5.99%</b>	<b>5.99%</b>	<b>5.99%</b>	<b>5.99%</b>	
<b>PAYMENT \$</b>	<b>\$1,580.79</b>	<b>\$1,443.11</b>	<b>\$1,330.81</b>	<b>\$1,237.21</b>	<b>\$1,090.68</b>	

Purchasing of vehicles has been increasingly difficult over the last number of years with the demand for trucks and other passenger vehicles soaring and limited stock due to supply delays during COVID. This has led to significant wait times between the request for a vehicle and actually receiving the vehicle which leaves our departments challenged to do routine and necessary tasks.

Staff will be retaining the 2018 ½ Ton Truck, currently at the Greenock Shop. The truck will continue to be used by the Operations Department to allow for ongoing roadside work with an appropriate vehicle being available at all times for health & safety purposes of staff working in remote areas and the splitting of crews.

### Strategic Action Plan Checklist:

What aspect of the Brockton Strategic Action Plan does the content/recommendations in this report help advance?

- Recommendations help move the Municipality closer to its Vision Yes
- Recommendations contribute to achieving Heritage, Culture, and Community N/A
- Recommendations contribute to achieving Quality of Life N/A
- Recommendations contribute to achieving Land Use Planning and the Natural Environment N/A
- Recommendations contribute to achieving Economic Development N/A
- Recommendations contribute to achieving Municipal Governance Yes

### Financial Impacts/Source of Funding:

- Do the recommendations represent a sound financial investment from a sustainability perspective? Yes

Staff recommend the purchase of the 2024 Chevrolet Cab and Chassis for \$73,448.94 (including HST) be funded by the Roads Reserve Fund.

### Reviewed By:



Trish Serratore, Chief Financial Officer

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### Respectfully Submitted by:



Nicholas Schnurr, Director of Operations



John Strader, Operations Manager

**Reviewed By:**



Sonya Watson, Chief Administrative Officer