



The Corporation of the Town of Tecumseh

Public Works & Engineering Services

To: Mayor and Members of Council

From: Phil Bartnik, Director Public Works & Engineering Services

Date to Council: July 11, 2023

Report Number: PWES-2023-52

Subject: 2023 Supply of Various Vehicles Tender Award

Recommendations

It is recommended:

That the purchase of one (1) 1500 series Extended Cab Regular Pickup Truck in the amount of \$49,320 plus HST plus outfitting costs **be awarded** to Blue Mountain Chrysler;

And that the purchase of one (1) 2500 series Crew Cab Long bed Pickup Truck in the amount of \$66,866 plus HST plus outfitting costs **be awarded** to Amherstburg Chevrolet;

And further that the purchase of one (1) 3500 series Regular Cab and Chassis & Dump Body 1 ½ ton in the amount of \$100,751 plus HST plus outfitting costs **be awarded** to Blue Mountain Chrysler as an Irregular Result under the Town of Tecumseh Purchasing Policy and Schedule 'A' of By-law 2021-60;

And furthermore, that the annual funding allocation, reflecting a total budget requirement of \$226,681 with a \$39,798 increase to the original allocation **be funded** from the Fleet Lifecycle Reserve.

Background

2022 Various Vehicles

At the December 13, 2022 Regular Meeting of Council, Council authorized the award of tenders for the 2022 Supply of Various Vehicles within report [PWES-2022-45](#) (Motion: RCM 346/22). This included the “2500 series Crew Cab long bed Pickup Truck” that was awarded to Amherstburg Chevrolet in the amount of \$57,883 plus HST and outfitting.

After the vehicle was awarded, Amherstburg Chevrolet notified Administration that they were no longer able to meet the requirements set out in the 2022 tender; therefore, Administration was required to re-tender the vehicle as part of the 2023 Various Vehicles Tender.

2023 Various Vehicles

At the April 11, 2023 Regular Meeting of Council, Council authorized Administration to obtain quotations for the 2023 Supply of Various Vehicles within report [PWES-2023-32](#) (Motion: RCM 94/23). These vehicles included:

1. 1500 series Extended Cab Regular Pickup Truck
2. 3500 series Regular Cab and Chassis & Dump Body 1 ½ Ton

An allocation of \$120,000 plus HST and outfitting was approved for these two vehicles.

Comments

A Request for Tender (RFT) for various vehicles was advertised on the Town’s website as well as posted to the Town’s Bids and Tenders account on May 26, 2023.

On June 8, 2023 the Purchasing Officer received three (3) submissions in response to the RFT that were opened electronically via the Bids and Tenders platform.

The tables below summarize the bids received.

Item #1 - New 2023 1500 Ext. Cab Pickup Truck	
Supplier	Price (Excluding HST)
Blue Mountain Chrysler	\$49,320
Oxford Dodge	\$52,050
Amherstburg Chevrolet	\$55,385

Item #2 - New 2023 2500 Crew Cab Pickup Truck	
Supplier	Price (Excluding HST)
Amherstburg Chevrolet	\$66,866
Blue Mountain Chrysler	\$68,613
Oxford Dodge	\$81,533

Item #3 - New 2023 3500 Cab and Chassis with Dump Body 1 ½ ton	
Supplier	Price (Excluding HST)
Blue Mountain Chrysler	\$100,751

The Manager Public Works & Transportation and the Purchasing Officer reviewed the bids submitted. The bids were found to be acceptable in principle and were checked for completeness and the degree to which each submission met the specifications.

The submissions were scored in accordance with the Evaluation and Award Process detailed within the RFT document.

Purchasing Policy and Schedule 'A' of By-law 2021-60

Section 4.5 b) of the Town's Purchasing Policy states the following:

“In the event that only one bid is received in response to a request for tender, the bid may be opened and evaluated in accordance with the Town’s usual procedures when, in the opinion of the Department Director and Purchasing Officer, the bid should be considered by the Town. If, after evaluation by the Department Director and Purchasing Officer, the bid is found not to be acceptable, they may follow the procedures set out in Subsection 4.4 a) to d).”

In accordance with Section 4.5 c), if the bid received is found acceptable, it will be awarded as an Irregular result under Schedule ‘A’ of the Purchasing By-law. Schedule ‘A’ further states that an Irregular Result Greater than \$100,000 is to be approved by Council.

Consultations

Financial Services

Financial Implications

Item	Cost
Item 1 - 1500 Ext. Cab Pickup Truck	\$49,320
Item 2 – 2500 Crew Cab Pickup Truck	\$66,689
Item 3 – 3500 Cab and Chassis with Dump Body 1 ½ ton	\$100,751
Outfitting	\$6,000
HST non-rebatable (1.76%)	\$3,921
Total	\$226,681
Approved allocation in 2022 (including outfitting)	\$60,883
Approved allocation in 2023 (including outfitting)	\$126,000
Allocation deficit	(\$39,798)

Purchase of the vehicles will be funded from the Town’s Fleet Lifecycle Reserve. The submitted costs are above the estimated and approved allocation.

Administration recommends the allocation deficit to be funded through the Fleet Lifecycle Reserve.

Although the tendered prices are much greater than budgeted, the Town is expected to receive significant value for the used vehicles at auction, which will offset some of the cost overrun as proceeds from sales are credited to the reserve.

Replacement valuations for the Town's fleet are regularly updated and recent inflationary pressures have necessitated increases to the Town's annual budgetary requirement to the Fleet Lifecycle Reserve. The current annual requirement is \$678,000, with a 2023 approved budget allocation of \$585,000.

Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

Communications

Not applicable ☒

Website ☐ Social Media ☐ News Release ☐ Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Dana Reid
Public Works & Engineering Services Assistant

Reviewed by:

Kirby McArdle, P.Eng.
Manager Public Works & Transportation

Reviewed by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

Reviewed by:

Phil Bartnik, P.Eng.
Director Public Works & Engineering Services

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
None	None