



## 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:** September 10, 2024

**Report Number:** PWES-2024-47

**Subject:** 2024 Vehicles – Award of John Deere 320p Backhoe

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### Recommendations

It is recommended:

**That** report PWES-2024-47, 2024 Vehicles – Award of John Deere 320p Backhoe, **be received**;

**And that** the purchase of the John Deere 320p Backhoe in the amount of \$200,550 plus HST **be awarded** to Brandt Tractor Ltd.;

**And further that** the funding allocation, reflecting a total budget requirement of \$207,110 with a \$29,030 increase to the original allocation **be approved and accommodated** as:

- Fleet Lifecycle Reserve – Increase from \$175,000 to \$207,110

### Background

At the May 13, 2024, Regular Meeting of Council, Council authorized Administration to obtain quotations for the 2024 Supply of Various Vehicles within Report [PWES-2024-27](#) (Motion:117-24 RCM) which identified backhoe for the Public Works & Transportation (PWT) Division. The backhoe in the PWT Division is used for all storm and sanitary repairs as well as in day-to-day operations throughout the Town. It is the primary piece

of equipment used to load salt into Town Trucks for winter control, however it is also heavily relied upon year-round for various uses.

## Comments

As a municipality within Ontario, the Town of Tecumseh is a member of the Association of Municipalities of Ontario (AMO). AMO provides several programs and resources for municipalities including group buying programs. Local Authority Services (LAS), a division of AMO, is a founding partner of Canoe Procurement Group of Canada.

Canoe Procurement Group of Canada is one of the largest public sector buying groups in the country and combines the purchasing power of over 5,000 public and not-for-profit organizations throughout Canada.

Canoe provides competitively priced and sustainable co-operative business services for Ontario municipalities and the broader public sector. All offerings have undergone a formal competitive bid process, ensuring compliance with purchasing by-laws and trade agreements. Administration has determined that sourcing the current procurement through this method is an effective and efficient utilization of resources and follows the appropriate by-laws and agreements.

The pricing received for the required backhoe unit has come in over the estimated budget. Over the last few years, the pricing and delivery dates for all large size equipment has become unpredictable and quickly changing. Supply chain issues, as well as global exchange rates, are just a few of the contributing factors. Due to these issues, the cost of heavy equipment continues to increase at a higher-than-expected rate.

Brandt Tractor Ltd. currently has an available unit in stock and the Town could take delivery without having to experience the long delays that we have seen in recent years.

The quote submitted by Brandt Tractor Ltd. has been reviewed and fulfills the needs of the PWT Division; further, as it is a John Deere model, like the one used by the Water Division, this would allow for the sharing of attachments. Creating an inventory of equipment amongst all Departments that can be shared has been a desired initiative for some time and this purchase will be a big step in that direction. This streamlined approach not only saves money by eliminating the need for the purchase of several similar attachments of varying brands, but it also allows seamless cross use and operator training in the PWT Division.

Administration recommends that the Town proceed with the award of the John Deere 320p Backhoe with a total price of \$203,550 inclusive of outfitting costs plus non-rebatable HST.

## Consultations

Financial Services  
Local Authority Services (LAS), AMO Business Services

## Financial Implications

Item	Cost
John Deere 320p Backhoe	\$200,550
Outfitting	\$3,000
HST non-rebated (1.76%)	\$3,560
<b>Total</b>	<b>\$207,110</b>
Approved Allocation in 2024	\$178,080
<b>Allocation Deficit</b>	<b>\$29,030</b>

The purchase of the Backhoe will be funded from the Town's Fleet Lifecycle Reserve. The submitted costs are above the previously estimated and approved allocation.

It is expected that through the disposal of the current backhoe unit that most, if not all, of this deficit will be offset through the auction proceeds.

Administration recommends the allocation deficit be funded through the Fleet Lifecycle Reserve. Given the pricing received and in reviewing the purchasing landscape an increase to the annual Lifecycle Fleet requirement will be considered during the annual budget process.

## Link to Strategic Priorities

Applicable	<a href="#">2023-2026 Strategic Priorities</a>
<input checked="" type="checkbox"/>	Sustainable Growth: Achieve prosperity and a livable community through sustainable growth.
<input type="checkbox"/>	Community Health and Inclusion: Integrate community health and inclusion into our places and spaces and everything we do.
<input type="checkbox"/>	Service Experience: Enhance the experience of Team Tecumseh and our citizens through responsive and respectful service.

## 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

<b>Attachment Number</b>	<b>Attachment Name</b>
None	None