

# **The Corporation of the Town of Lakeshore**

## **Report to Council**

### **Engineering & Infrastructure Services**

#### **Public Works**



**To:** Mayor & Members of Council

**From:** Albert Dionne, C.E.T.  
Manager of Public Works

**Date:** February 24, 2020

**Subject:** Tender Award for a New 2020 Backhoe Loader

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#### **Recommendation**

1. Council award the tender for the purchase of a new 2020 Backhoe Loader from Fulline Farm & Garden Equipment Ltd in the total amount of \$150,400 plus applicable taxes.
2. The shortfall of \$13,050 be funded from the fleet vehicle and equipment reserve account at year end should there be an overall deficit at year end.

#### **Background**

The 2020 Capital Budget included \$140,000 funding amount for the lifecycle replacement of an existing backhoe loader. This vehicle unit has exceeded its useful life cycle and is a necessary equipment to the Public Works operations requiring replacement.

The new backhoe loader provides Town crews with an increased reliable backhoe loader with ability to efficiently complete small road repairs including culvert replacements, roadside restoration and various underground infrastructure repairs. The existing equipment unit has experienced increasing maintenance repairs and was out of service a number instances in 2019 affecting Public Works ability to complete repairs efficiently.

#### **Comments**

The tender was publicly advertised on the Bids & Tenders website on January 13, 2020. The tender closed Friday, January 24, 2020.

The following five (5) tenders were received prior to the closing date and opened publicly.

<b>Tenderer</b>	<b>Unit Model</b>	<b>Tendered Amount (excluding HST)</b>
Fulline Farm & Garden Equipment Ltd.	JBC 3CX-15	\$150,400
Delta Power Equipment	New Holland B95C	\$154,781
Brandt Tractor Ltd.	John Deere 310 SL	\$155,000
Toromont Cat	Cat 420 F2	\$158,000
Kucera Group Tecumseh	Case 580 SN WT	\$159,950

Administration has reviewed all tender bids received and found them to be complete.

The average of the five bids received is \$155,626 and the lowest bid is representatively 3.4% below the average of the five bids. The total cost for the new Backhoe Loader including the applicable HST is \$153,050. The total cost is 9.3% more than the lowest pricing quotes obtained in the fall of 2019.

There are two items that Administrated added to the equipment specifications that were not included in last year`s pricing estimates upon which the budget was based for this purchase. The items that were added are an auto greaser and back up camera which attributes to the majority of \$13,050 variance. Administration is of the opinion that the two added features are important which provides added safety with the camera and secondly improved equipment maintenance function with the auto greaser.

Administration is satisfied with the lowest bid submission for the purchase of a new 2020 Backhoe Loader unit model JBC 3CX-15.

### **Financial Impacts**

The 2020 budget included an amount of \$140,000 for the lifecycle replacement of an existing backhoe loader. The lowest tender bid submitted was \$150,400 not including applicable HST. The final total cost for the new Backhoe Loader including the applicable HST is \$153,050; therefore, the lowest bid is \$13,050 or 9.3% above the approved budget.

The new backhoe loader is funded under the vehicle and equipment reserve account. Administration recommends awarding the tender to the lowest bidder, Fulline Farm & Garden Equipment Ltd. and funding the additional \$13,050 amount needed from the fleet vehicle and equipment reserve account

**Attachment(s):** None

## Report Approval Details

Document Title:	Tender Award for a 2020 Backhoe Loader.docx
Attachments:	
Final Approval Date:	Feb 28, 2020

This report and all of its attachments were approved and signed as outlined below:

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