



THE CORPORATION OF THE TOWN OF AMHERSTBURG

OFFICE OF ENGINEERING AND PUBLIC WORKS

MISSION STATEMENT: *Committed to delivering cost-effective and efficient services for the residents of the Town of Amherstburg with a view to improve and enhance their quality of life.*

Author's Name: Eric Chamberlain	Report Date: March 22, 2021
Author's Phone: 519 736-3664 ext. 2312	Date to Council: April 12, 2021
Author's E-mail: echamberlain@amherstburg.ca	Resolution #:

To: Mayor and Members of Town Council

Subject: Grader and Equipment – Award of Tender

1. **RECOMMENDATION:**

It is recommended that:

1. An over-expenditure for purchase of a gravel compaction unit not to exceed \$12,700 **BE APPROVED** for a total cost not to exceed \$37,613 including net HST and that the over-expenditure **BE FUNDED** from taxation, with any surplus/deficit resulting from taxation funded operations to be addressed through recommendations in the year end (Q4) variance report;
2. The Motor Grader and Equipment Tender **BE AWARDED** to Brandt Tractor Limited in an amount of \$456,654 plus applicable taxes; and,
3. The Mayor and Clerk **BE AUTHORIZED** to execute an agreement with Brandt Tractor Limited for the purchase of a 2021 Motor Grader and Equipment.

2. **BACKGROUND:**

The Town advertised a Request for Tenders (RFT) for the purchase of Motor Grader and Equipment on March 3, 2021 on the Town's Bids and Tenders website. The Motor Grader provides for maintenance and upkeep of gravel roads in Amherstburg. In addition, the motor grader is outfitted with a plow and wing to assist with winter control operations. The RFT was for replacement of the existing Motor Grader and plow and wing attachments. Budget approval had also been granted for purchase of a dozer blade and gravel shoulder eliminator based on Administration's request; however, on further review Administration determined that those pieces of equipment would not provide the anticipated outcomes. As such, the RFT did not include the dozer blade and gravel shoulder eliminator.

The RFT also requested optional bids on a new grader mount roller packer for gravel compaction that will be used to assist in gravel road maintenance. Budget approval had been granted for purchase of a tow behind gravel packer based on Administration's request; however, on further review Administration determined that piece of equipment would not provide the anticipated outcomes and would be more expensive to operate. As such, the RFT included a grader mount roller packer rather than a tow behind rear wheel packer unit.

3. **DISCUSSION:**

Tenders closed for this equipment at 11:00 a.m. on Monday, March 22, 2021. The Town received 2 tender submissions that were processed electronically via the Bids and Tenders system.

The tenders were reviewed electronically to ensure there were no mathematical errors or omissions. The tender results are as follows:

Bidder	Tender Amount (excluding HST)
1. Brandt Tractor Ltd.	\$ 456,645
2. Toromont Cat	\$ 474,057

4. **RISK ANALYSIS:**

The Town is required to meet minimum maintenance standards for road infrastructure in order to provide an acceptable level of service and to mitigate the Town's risk related to claims against the Town. . The purchase of replacement equipment recommended in the report will help the Town to mitigate that risk by improving reliability of equipment and consistency of service level for road maintenance.

5. **FINANCIAL MATTERS:**

Council approved the replacement of Motor Grader and Equipment (wing and plow attachments, shoulder eliminator and front dozer blade) and the purchase of a new tow behind Gravel Compaction Unit in the 2021 Budget. As noted above, the shoulder eliminator and front dozer blade were not included in the RFT and a grader mount roller packer was included instead of a tow behind gravel packer.

The financial impact of the recommended purchases would be as follows:

Item	2021 Budget	2021 Actual	Variance (over)/under
Capital Expense:			
Replace Motor Grader and Equipment (one-way front plow and rear mount wing)	\$460,000	\$427,069	\$32,931
New Grader Mount Roller Packer Unit ⁽¹⁾	\$25,000	37,613	(12,613)
Total Capital Expense:	\$485,000	\$464,682	\$20,318

Capital Funding:			
Transfer from Reserve Fund – General (Capital Replacement)	\$460,000	\$427,069	\$32,931
Taxation	\$25,000	37,613	(12,613)
Total Capital Funding:	\$485,000	\$464,682	\$20,318

Note (1): The tow behind gravel packer anticipated in the approved budget had a lower estimated purchase cost than the recommended grader mount roller packer; however, the operating cost of the tow behind unit would have been higher including additional staff, equipment and fuel costs. Those additional ongoing operating costs would have offset the higher initial purchase cost of the recommended unit.

The Town's Tangible Capital Asset inventory will be updated for the replacement of the existing equipment and the new grader mount roller packer unit will be added to the TCA inventory.

6. **CONSULTATIONS:**

The Financial Planning Administrator provided information on the tender review regarding tender compliance.

Cheryl Horrobin, Director of Corporate Services

7. **CONCLUSION:**

The 2021 Motor Grader and Equipment would replace Unit 220, 1991 Motor Grader and the current wing and plow blade attachments, which are well beyond their useful lives. The new grader mount roller packer unit will assist in maintenance of the Town's gravel roads.



Eric Chamberlain
Manager of Roads and Fleet

Report Approval Details

Document Title:	Grader and Equipment - Tender Award.docx
Attachments:	- AGREEMENT.docx
Final Approval Date:	Apr 6, 2021

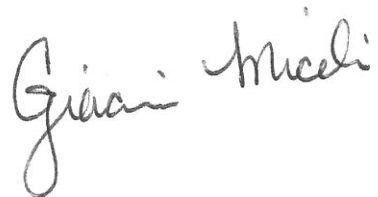
This report and all of its attachments were approved and signed as outlined below:



Antonietta Giofu



Cheryl Horrobin



John Miceli



Paula Parker