



The Corporation of the Municipality of Arran-Elderslie

Staff Report

Council Meeting Date: June 12, 2023

Subject: SRW.23.11 Vehicle Purchases

Report from: Scott McLeod, Public Works Manager

Pat Johnston, Chief Building Official

Appendices: Appendix A – Five Year Fleet Mileage Details

Recommendation

Be It Resolved that Council hereby,

1. Approves the purchase of a 2023 Chevrolet Silverado 1500 crew cab from Bud Rier Chevrolet Ltd. for the amount of \$66,797.76 inclusive of HST;
 2. Approves the purchase of a 2022 Dodge Ram 1500 crew cab from Rankin's Garage and Sales Inc. for the amount of \$61,042.71 inclusive of HST;
 3. That the purchases be financed through Transportation account #23-TRAN-0019 and Building account #23-BLDG-0001; and
 4. That \$2,153.45 be transferred from Road Reserve #7266 to finance the additional costs under capital id. 23-TRAN-0019.
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Report Summary

The intent of this report is for Council to approve the purchase of two (2) vehicles, one for Public Works and the other for Building Services which will be added to existing municipal fleet.

Background

The 2023 capital budget identified the need for two (2) additional pick-up trucks/vehicles to be added to the municipal fleet. One of these trucks was for the Public Works Department and the other was for Fire & Emergency Services.

Further budget refinement and Council discussions led to the passing of the following resolution of Council:

Be It Resolved that Council hereby,

1. Directs that the Arran-Elderslie Fire and Emergency Services command/response unit be acquired by the purchase of the used 2019 Dodge Ram from the Building Department for its current value; and
2. That Council approves \$3,000.00 for the upfit for the emergency lighting/siren, and reflective package to meet NFPA 1901 "Standard for Automotive Fire Apparatus" and the funds of such be removed from the appropriate fire department reserves; and
3. That the funds from the fire and emergency services department for the purchase of the truck be deposited into the Building Reserves; and
4. That the Building department be permitted to issue a tender for the purchase of a new vehicle with the cost being financed from the Building Reserves.

Following the change in direction, Staff discussed the various vehicle options and subsequently issued two (2) Request for Proposals, one for the potential procurement of a ½ ton pick-up truck and one for a mid-size pick-up truck. The tenders also identified that in addition to a new vehicle that consideration would be given to a demonstrative, used or similar vehicle would be considered.

Analysis

Tenders were issued on May 15, 2023 and closed on May 25, 2023. The results of both tenders are listed below which includes taxes and registration.

RFP-2023-05 – ½ Ton Pick-Up Truck

Vendor	Make & Model	Total Price	Delivery Date
Morrow Sales & Service/ Hallman Motors	2023 Chevrolet 1500 Silverado Crew Cab 4x4	\$68,808.17	In Stock
Morrow Sales & Service/ Hallman Motors	2023 Chevrolet 1500 Silverado Crew Cab 4x4	\$66,323.30	November 2023
Bud Rier Chevrolet	2023 Chevrolet 1500 Silverado Crew Cab 4x4	\$66,797.76	In Stock

Rankin's Garage	2022 Dodge Ram 1500 Crew Cab 4x4	\$61,042.71	In Stock
Finch Chevrolet	2023 Chevrolet Silverado 1500 Crew Cab 4x4	\$74,984.78	June 2023

RFP-2023-06 – Mid Sized Pick-Up Truck

Vendor	Vehicle	Total Price	Delivery Date
Morrow Sales & Service/Hallman Motors	2023 Colorado Crew Cab LT 4 x 4	\$52,772.37	October 2023

Staff have considered the following factors during the proposal review process.

Fuel Consumption

The following figures were used for the configurations:

- **2023 Average Gas price in Owen Sound for June 6, 2023 - \$1.578/L**
- Average Annual Mileage for CBO Vehicle – 12,500 km

Vehicle Size	Vehicle	Engine Size and Fuel Mileage (Avg. Hwy/City)	Fuel Cost/year	Fuel Difference ½ ton vs mid-size/year
½ ton	2023 Chevrolet Silverado 1500 Crew Cab 4 x 4	5.3 L 12.95 L/100 km	\$2,554.39	+\$108.49
½ ton	2022 Dodge Ram Crew Cab 1500 4 x 4	5.7 L 13.6 L/100 km	\$2,682.60	+\$236.70
mid-size	2023 Chevrolet Colorado Crew Cab 4 x 4	2.7L Turbo 12.4 L/100 km	\$2,445.90	N/A

Availability and Delivery Timelines

RFP-2023-05 for the procurement of a ½ ton pickup identified that three (3) of the five (5) presented were in stock and available immediately. RFP-2023-06 for the procurement of a mid-sized pickup truck had only one bid with an estimate delivery timeline of October 2023.

In order to provide some historical context regarding the most recent truck purchases, was in February of 2021 at which time the Municipality awarded the tender of two (2) pick-up trucks to one vendor. One was a Crew Cab and the other was a Double Cab. Covid-19 supply restrictions of parts and labour eventually caused General Motors to officially cancel the tendered Municipality fleet orders in January 2022.

Due to availability issues, industry demands and pricing and Municipal needs, these two cancelled orders were replaced by the purchase one new ½ ton pickup truck and a used ½ ton pickup truck, both at a higher cost than the original ordered trucks.

Fleet Versatility

The Municipality retains purchased vehicles in its fleet for many years and historically the practice has been to move vehicles between departments based on age, usage and needs, with the newer purchases staying with the departments who utilize them the most and the older vehicles shifting to the more under used areas. The ½ ton pickup truck is more versatile to support the various functions of each department with a higher towing capacity, larger cab size and larger truck bed capacity.

Recommendation

Based on the consideration of the above, Public Works recommend that the purchase of the 2023 Chevrolet 1500 Silverado for \$66,797.76 is the preferred vehicle for the Department's needs. Although, the mid-size Colorado has a lower purchase price and slightly better fuel economy, the Building Department prefers the 2022 Dodge Ram 1500, as the vehicle is available immediately. Building and Public Works staff recommend that the purchase of these two (2) ½ ton pick-up trucks would best support the needs of the Municipality at this time.

Savings of \$8,270.34 could be realized if the purchase was deferred until October 2023 when the 2023 Colorado Crew Cab becomes available at Morrow Sales & Service/Hallman Motors, as noted in RFP 2023-06. Notwithstanding, this the two (2) preferred trucks proposed to be purchased are as follows:

<p>Bud Rier Chevrolet</p> <p>2023 Chevrolet 1500 Silverado Crew Cab 4x4 5.3 L engine</p>	\$66,797.76	In Stock	Public Works
<p>Rankin's Garage</p> <p>2022 Dodge Ram 1500 Crew Cab 4x4 5.7 L Engine</p>	\$61,042.71	In Stock	Building Services

Link to Strategic/Master Plan

6.4 Leading Financial Management

Financial Impacts/Source of Funding/Link to Procurement Policy

The 2023 Capital Budget allotted funding for the purchase of a ½ ton pick-up truck to account #23-TRANS-0019 in the amount of \$58,000 and #23-BLDG-0001 for \$56,000. The purchase of the Building Department vehicle is being offset by the sale of the 2019 Dodge Ram to Fire and Emergency Services, valued at \$26,090.53. Therefore, the net cash output to the Building Department is \$28,880.32.

The total cost for the two trucks after the HST rebate is \$115,141.19. The Building Department vehicle is within budget; however, the Transportation vehicle is over budget by \$2,153.45. The additional cost will be financed by account 7266 Roads Reserve.

Additional savings of \$8,270.34 could be realized if the purchase was deferred until October 2023 when the 2023 Colorado Crew Cab becomes available at Morrow Sales & Service/Hallman Motors, as noted in RFP 2023-06.

Approved by: Sylvia Kirkwood, Chief Administrative Officer