

REPORT TO COUNTY COUNCIL

Contract Award – Tandem Snow Plow Trucks

To: Warden and Members of County Council

From: Director of Public Works

RECOMMENDATIONS

1. That County Council award Contract PW-F-24-03 to the low bidder, Premier Truck Group of London, in the amount of \$1,341,297 (excluding HST) for three tandem snow plow trucks as outlined in Report PW 2024-11;
2. And further, that County Council authorize the transfer of \$87,000 from the Fleet Reserve to fund the budget shortfall to award the contract for the procurement of three tandem snow plow trucks;
3. And further, that County Council authorize the Chief Administrative Officer and the Director of Public Works to sign all documents related thereto.

REPORT HIGHLIGHTS

- The purpose of this report is to obtain Oxford County Council approval to award the above-noted contract to Premier Truck Group of London and proceed with the procurement of three tandem snow plow trucks in accordance with the County's Purchasing Policy.
- The procurement of these new trucks will replace existing units that are coming to the end of their useful service life and will be utilized at the Oxford County Transportation facilities with an anticipated service life of nine years.
- The above noted trucks have been approved in the 2024 Business Plan and Budget, with one having an approved budget in 2024, and two more being approved for early procurement for the 2025 Budget.

IMPLEMENTATION POINTS

Upon approval of the recommendations contained in this report, staff will finalize the procurement of the three tandem snow plow trucks with the successful vendor.

The anticipated procurement lead time to delivery of these trucks is the first quarter of 2025. Following the delivery, fleet staff will perform mandatory outfitting of the trucks that involves adding GPS system, fueling system and 2-way radio, prior to the trucks being put into service.

Financial Impact

The approved 2024 budget includes \$427,000 for the procurement of one tandem snow plow truck for 2024, along with \$854,000 for the early procurement of two additional tandem snow plow trucks for 2025 delivery (\$427,000/unit). The low bid from Premier Truck Group was \$1,341,297 (excluding HST) as detailed in Table 1 (2024 unit) and Table 2 (2025 units).

Table 1: Funding Summary – 2024 Tandem Snow Plow Truck (1)

Description	Amount
220382 – R-S – Tandem Plow Truck – Freightliner 114SD Plus, Viking Cives Snow and Ice control equipment, conventional opening tailgate	\$436,842
Provisional Items	8,527
Total Award (excl. HST)	\$445,369
Projected outfitting Costs (GPS, fuel, 2 way radio)	1,000
Sub-Total	\$446,369
Non-Refundable HST (1.76%)	7,821
TOTAL COST	\$454,190
2024 Approved Budget	427,000
BUDGET SHORTFALL	\$27,190

Table 2: Funding Summary – 2025 Tandem Snow Plow Trucks (2)

Description	Amount
220361 – R-S – Tandem Plow Truck – Freightliner 114SD Plus, Viking Cives Snow & Ice control equipment, double acting tailgate	\$439,437
220366 – R-S – Tandem Plow Truck – Freightliner 114SD Plus, Viking Cives Snow & Ice control equipment, double acting tailgate	439,437
Provisional Items	17,054
Total Award (excl. HST)	\$895,928
Projected outfitting Costs (GPS, fuel, 2 way radio)	2,000
Sub-Total	\$897,928
Non-Refundable HST (1.76%)	15,734
TOTAL COST	\$913,662
2025 Capital Budget	854,000
BUDGET SHORTFALL	\$59,662

The net total cost of \$1,367,852 (including non-refundable HST) exceeds the current approved budget by \$86,852, which is proposed to be funded from the Fleet Reserve. The budgeted 2024 closing balance of the Fleet Reserve is \$4,302,950 and is sufficient to fund the additional requirements.

Once the fleet procurement processes are completed and vendors are awarded, staff will update the replacement costs in the Asset Management Plan. As part of the 2025 Business Plan and Budget process, staff will also update the budget for the two early procurement tandem snow plow trucks, as well as the fleet replacement costs in the Long Term Capital Plan. Staff will also update the annual contributions to the Fleet Reserve based on the unit type in order to ensure that these reserves have sufficient funds to support the increased unit costs.


Communications

The three tandem snow plow trucks were publicly tendered and closed on January 26, 2024. Upon approval of this report and award of the contract, the tender results will be displayed publicly on the *Bids&Tenders* online portal and all bidders will be notified of the results.

2023-2026 STRATEGIC PLAN

Oxford County Council approved the [2023-2026 Strategic Plan](#) on September 13, 2023. The Plan outlines 39 goals across three strategic pillars that advance Council’s vision of “Working together for a healthy, vibrant, and sustainable future.” These pillars are: (1) *Promoting community vitality*, (2) *Enhancing environmental sustainability*, and (3) *Fostering progressive government*.

The recommendations in this report supports the following Strategic Plan pillars and goals:

		
Promoting community vitality	Enhancing environmental sustainability	Fostering progressive government
Goal 1.2 – Sustainable infrastructure and development		

See: [Oxford County 2023-2026 Strategic Plan](#)

DISCUSSION

Background

The 2024 approved budget included funding to procure three new tandem snow plows, and associated equipment, to replace units 361, 366 and 382 which are nearing the end of their target useful life (nine years) and are scheduled to be replaced in accordance with the 2022 Asset Management Plan. Replacement has been validated through the annual Vehicle Replacement Rating (VRR) review that takes into account the vehicle age, kilometres driven and maintenance costs.

In order to align with the **Green Fleet Plan**, these truck units were tendered to include an anti-idling system. Due to the long lead time to replace this type of equipment (>52 weeks), early procurement was also approved in the 2024 budget for units 361 and 366 which are scheduled to be replaced in 2025.

Comments

The procurement of these trucks was through an open competitive bidding process through Bids and Tenders. At tender close on January 26, 2024, there were two submissions received which were evaluated by County staff. Upon review, it was noted that the two submissions were both over the approved budget, but were within 1% of one another, thus confirming that the pricing provided is in line with current market conditions. Further review validated that both submissions met the basic specifications. The submissions received are outlined in Table 3 below, along with anticipated delivery timelines.

Table 3: Submission Summary

Submission	Bid Price (HST Excluded)	Delivery Time
Premier Truck Group 2025 Freightliner 114SD+, Viking Cives snow and ice equipment (w/Double Acting Tailgate units 361 and 366), (w/Conventional Tailgate unit 382)	\$1,341,297	52 Weeks
Carrier Center Trucks 2025 International HV 613, Viking Cives snow and ice equipment (w/Double Acting Tailgate units 361 and 366), (w/Conventional Tailgate unit 382)	\$1,362,435	66 Weeks

Staff have reviewed the submissions and confirmed that the low bid received from Premier Truck Group, in the amount of \$1,341,297 (excluding HST), represents good value for the County. Provisional items selected for inclusion in the award include extended warranties on the engine, transmission, front/rear axles, as well as removable wing stand and wing lifting ring on the plow equipment.

Should the contract not be awarded, the condition of the County’s existing assets will continue to deteriorate resulting in lower reliability and higher maintenance costs.

CONCLUSIONS

Staff recommends that \$87,000 be transferred from the Fleet Reserve to cover the funding shortfall for three tandem snow plow trucks and that Contract PW-F-24-03 be awarded to Premier Truck Group for the total cost of \$1,341,297 (excluding HST).

SIGNATURES

Report author:

Original signed by

James Wagner
Fleet Technician

Departmental approval:

Original signed by

David Simpson, P.Eng., PMP
Director of Public Works

Approved for submission:

Original signed by

Benjamin R. Addley
Chief Administrative Officer