Municipality of East Ferris

Report to Council

Report No.: R-2021-04 Date: June 22, 2021

Originator: Antoine C. Boucher, Municipal Engineer

Subject: Purchase of 2014 524K John Deere Loader

RECOMMENDATION

1. That the Director of Public Works be authorized to purchase a 2014 524K John Deere loader from Markham Landscaping Nurseries Ltd, utilizing single sourcing, in the amount of \$84,900 (plus applicable taxes).

BACKGROUND

The 2021 Capital Budget recently approved the purchase of a used loader. Seeing as we are purchasing a used piece of equipment, we are limited to what is currently available on the market. For this reason, we are requesting that staff be authorized to single source the purchase of the loader.

The Municipal Procurement By-Law 2274 identifies the following procedure for sole sourcing under section 5.7.2 and 5.7.3:

5.7 SINGLE OR SOLE SOURCING

- 5.7.1 Single sourcing is the procurement of a *good, service* or *construction* from only one vendor.
- 5.7.2 Sole sourcing is a procurement of a *good*, *service* or *construction* that is unique to a particular vendor and cannot be obtained from another source.
- 5.7.3 Single sourcing and sole sourcing must be authorized by *Council* where the estimated *total acquisition cost* is greater than \$500.00 and this authorization must set out how this type of acquisition process meets the goals and objectives of this By-law.

ANALYSIS/OPTIONS

Public Works has researched various providers of used equipment that would meet our needs and budget. In the last week, the loaders that were found suitable for our use were sold within a few days. Markham Landscaping Nurseries Ltd is selling one of their loaders and accepted to hold it until June 23rd. For this reason, they are identified as the sole vendor for the loader.

The Public Works Foreman and our mechanic completed an inspection of the loader last week and concluded that the unit was very well maintained and is in great condition. The loader has just over 9,000 hours of service. Oil samples (motor, transmission, and hydraulic) were taken and sent for analysis and came back with good results. The loader is the right size for our

 $C:\Users\frost \end{array} In the Content. Outlook\PVNKTHQ2\R-2021-04-Purchase of Used Loader. docx \\$

operation with a front bucket capacity of 3 yards. The unit does not have a quick attach system; however, that can easily be purchased separately and still remain within the allocated budget.

The inspection did not identify any repairs needed. The loader has two new tires, and two used Michelin tires with approximately 1,000 hours of wear left. Again, it is possible to separately purchase two new tires and remain within budget.

Service for this loader is available at Arnstein Equipment in North Bay. They no longer sell heavy equipment but still supply parts and provide service. Furthermore, our in-house mechanic is fully capable of maintaining this unit.

The John Deere loaders are very reputable with a solid build. Upon approval of the purchase, the Public Works Department will arrange to pick up the loader as soon as possible as it is intended to be put into operation by the end of June. The unit will be equipped with a two-way radio, and other apparatus required for operational purposes.

RECOMMENDATION

That Council approve the purchase of a used 2014 524K John Deere loader from Markham Landscaping Nurseries Ltd, utilizing single sourcing, in the amount of \$84,900 (plus applicable taxes).

Respectfully Submitted,

Antoine C. Boucher, P. Eng.

Municipal Engineer

I concur with this report and recommendation.

Jason H. Trottier, HBBA, CPA, CMA

CAO/Treasurer