

# Staff Report to Council

**Title:** Award Tandem Plow Truck

**Report Number:** Operations-2024-13

**Director:** Infrastructure &  
Development

**Manager:** Operations

**Meeting Date:**  
Wednesday, April 10, 2024

**Date to be considered by Council:**  
Wednesday, April 10, 2024

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## Recommendation:

That Council award the contract for the Tandem Plow Truck to Viking Cives for the bid price of \$444,579.26 including the non-refundable HST; and further

That Council approves a budget amendment to increase the cost from \$425,000 to \$460,000 with the \$35,000 overage to be funded through the Lifecycle Reserve Fund 82.

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## Executive Summary:

The capital budget includes the replacement of a tandem plow truck. Due to market conditions and opportunities through the LAS Canoe group buying contract staff sourced an available unit through that opportunity with an expected delivery of early 2026.

## Strategic Priorities:

D.16-Ensure the Municipality provides value for money and long-term sustainability

## Financial Considerations:

The 2024 capital budget included \$425,000 for the replacement of a tandem plow truck. The current unit bid of \$444,579.26 including the non-refundable portion of the HST exceeds the budgeted cost. Other aftermarket installations along with the bid value require an increase to \$460,000 with the \$35,000 overage to be funded through the Lifecycle Reserve Fund.

Pricing has increased over the past number of years due to a number of factors including: exchange rate, cost of commodities including steel, aluminum and others; continued shortage of parts which continues to effect the number of trucks that can be built in a year as well as electronic shortages all will have an effect on the pricing as supply cannot keep up with the current demand. Once the chassis has been secured, Viking Cives in Mount Forest outfit each truck with the gear to perform winter maintenance. There are also factors that affect the pricing of the outfitted equipment such as labour shortage, increased material pricing and increased overhead cost.

**Policy:**

GC 2.17 Purchasing and Procurement Policy

**Context and Background Information:**

Staff have worked through the LAS Canoe group buying program to procure a tandem plow truck. The truck will be purchased through Viking Cives in Mount Forest who will outfit the chassis with all of the plowing equipment. With current pricing increases it has increased the trucks budget requirement from \$425K to \$460K. Staff request that Council approve the current budget increase and confirm the award so that the approval process can begin and that the request be placed in the que.

**Consultation Overview:**

Staff consulted with our mechanics and operators to indicate the appropriate specifications for the plow truck to be included in the procurement. Staff contacted chassis vendors that have provided historical bids to understand the market. One vendor indicated that the majority of their procurement has gone to the LAS Canoe group buying and has not completed much in the way of tenders for the truck chassis.

**Origin:**

2024 Capital Budget

**Implementation Considerations:**

It is anticipated that the tandem plow truck will arrive in early 2026.

**Risk Analysis:**

The 2024 Budget included the replacement of a tandem axle plow truck so that the unit would be received in 2025. There are still supply chain issues in receiving a truck chassis in a timely manner. Several factors have contributed to the increase in price and the wait times for the chassis and snowplow equipment.

The current tandem truck has a double frame that will not receive a safety that far into the future primarily due to the spread separation of the double frame with the mechanic indicating that this will continue to worsen as corrosion continually increases the frame gap.

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**Attachments:** None

**Prepared by:** Corey Voisin, Manager of Operations

**Submitted by:** Corey Voisin, Manager of Operations