

July 2, 2009



**CITY COUNCIL
COMMITTEE REPORT**

TO: OPERATIONS COMMITTEE & MEMBERS OF COUNCIL

FR: RICHARD PERCHUK, MANAGER OF OPERATIONS

RE: SOLID WASTE LOADER – EQUIPMENT PURCHASE

BACKGROUND

The 2009 Capital budget carries an allocation of \$175,000.00 for the replacement of a Solid Waste Wheel Loader. The Loader is used at the Transfer Station for loading garbage and moving bins at the recycle depot.

Tenders were advertised, with a total of 11 bids received. Three (3) machines were disallowed due to low specifications or incomplete tender submission as follows: John Deere 524, Kawasaki 65 & 70 model.

Six (6) bids for the purchase of a wheel loader were received as follows: (PST, Trade and 6 year extended warranty included) (GST extra)

Toromont	930H Cat	\$218,458.08
Nortrax	544k John Deere	\$186,717.38
Hytrac	621E Case	\$205,211.88
B&B Rentals	200 Doosan (2008)	\$223,053.40
	200 Doosan (2009)	\$250,149.60
	250 Doosan (2008)	\$291,822.48
Strongco	L70F Volvo	\$244,620.00
SMS Equipment	PA250PZ Komatsu	\$183,492.00

Due to the current market conditions the cost of steel has risen, and this has carried into the final cost of large equipment. All tenders that were received were over budget.

I am recommending that the lowest bid, received from SMS Equipment, be accepted and that authorization be granted to amend the 2009 Municipal Capital Plan and Municipal Five Year Capital Plan to fund a shortfall of \$8,492.00 through an offsetting appropriation from the Solid Waste Reserve Fund.

BUDGET:

2009 Capital Budget \$175,000.00
Solid Waste Reserve Fund

COMMUNICATION PLAN/Notice By-law Requirements:

Resolution & By-law
Distribution: R. Perchuk, M. Mostow

RECOMMENDATION:

THAT the following tenders be received by the City of Kenora for the purchase of a Wheel Loader, and;

Toromont	930H Cat	\$218,458.08
Nortrax	544k John Deere	\$186,717.38
Hytrac	621E Case	\$205,211.88
B&B Rentals	200 Doosan (2008)	\$223,053.40
	200 Doosan (2009)	\$250,149.60
	250 Doosan (2008)	\$291,822.48
Strongco	L70F Volvo	\$244,620.00
SMS Equipment	PA250PZ Komatsu	\$183,492.00

THAT the quotation submitted by SMS Equipment, for the purchase of a PA250PZ Wheel Loader, in the amount of \$183,492.00, GST extra, be accepted; and,

THAT Council hereby authorizes an additional allocation in the amount of \$8,492.00 to be funded through an offsetting appropriation from the Solid Waste Reserve Fund; and

THAT Council gives three readings to a by-law to amend the 2009 budget for this purpose; and further

THAT in accordance with Notice By-law Number 144-2007, public notice is hereby given that Council intends to amend its 2009 Municipal Capital Plan and Municipal Five Year Capital Plan by by-law at its July 13, 2009 meeting.