

Report

Date May 3, 2023
Subject Purchase of 4 Automated Garbage Trucks

File: 5360-20

PURPOSE

To authorize the purchase of four automated garbage trucks.

BACKGROUND

At the February 1, 2023, Council meeting, staff was authorized to proceed with the Automated Curbside Collection Implementation Phase One plan, including purchasing three diesel and one electric automated garbage truck. The program is scheduled to commence in 2025, including the purchasing of trucks and bins for collecting yard/kitchen waste and garbage for residential homes.

DISCUSSION

In accordance with the Delegation of Authority Bylaw 3814, Council approval is required for any purchase of works, services or goods having a value over \$500,000. In accordance with the Council Procurement Policy, North Cowichan may participate with other government entities where the Municipality's long-term interests are best served. Staff employed this cooperative purchasing policy to obtain quotations for the automated garbage trucks using the Canoe Procurement Group, which conducted a public process to obtain preferred pricing for their members from several suppliers.

Using the Canoe supplier listing, staff obtained four quotes from three separate garbage truck manufacturers for the three diesel-powered and one electric-powered units. Staff identified specifications for the quotes, including engine, transmissions, load capacity, cameras, automated arm, right-hand drive and warranty. All three quotes met the specifications and requirements set out by North Cowichan.

An overview of the bids received for the trucks is outlined below:

CHASSIS	Peterbilt 520	Mach LR64	Freightliner M2-106	Mack LR
BODY	Labrie Automizer	Labrie Automizer	Labrie Automizer	Labrie Automizer
TYPE	Diesel	Diesel	Diesel	Electric
CAB	Cabover	Cabover	Conventional	Cabover
Chassis base price	\$ 237,028.00	\$ 231,159.00	\$ 149,500.00	\$ 615,340.00
Body base price	\$ 279,766.00	\$ 279,766.00	\$ 299,569.00	\$ 279,926.00
Freight	\$ 10,200.00	\$ 10,200.00	\$ 10,200.00	\$ 26,500.00
Total cost per unit	\$ 526,994.00	\$ 521,125.00	\$ 459,269.00	\$ 921,766.00
Number of units	3	3	3	1
Total all units	\$ 1,580,982.00	\$ 1,563,375.00	\$ 1,377,807.00	\$ 921,766.00
GST / PST	\$ 189,717.84	\$ 187,605.00	\$ 165,336.84	\$ 110,611.92
Grand Total	\$ 1,770,699.84	\$ 1,750,980.00	\$ 1,543,143.84	\$ 1,032,377.92

The discount obtained through the group purchasing arrangement ranges from \$274,295 to \$301,908 per truck. Staff recommend the purchase of the three Freightliner diesel trucks and the Mack Electric. Staff have experience with other Freightliner trucks and are confident in their ability to perform the work. There are a couple of Mack electric trucks in the province now. Staff have discussed the reliability of the trucks with the fleet managers and are comfortable that with the included 5-year warranty, problems will be minimal.

In addition to the base price for the units listed above, there are a few options that staff are recommending, including a 5-year diesel engine warranty, continuous frame welding and central grease points. The additional cost for these items is \$10,137 per truck. With these options, the total cost for the three diesel trucks is \$1,577,204, and the one electric is \$1,043,731 for a total of \$2,620,935, including tax. In the automated collection project budget, there was \$2,800,000 (including the \$250,000 electric truck grant) allotted for the garbage truck purchases.

OPTIONS

1. **(Recommended Option)** THAT Council authorize the purchase of three Freightliner M2-106 automated garbage trucks for \$1,577,204 and one Mack LR electric automated garbage truck for \$1,043,731 from Rollins Manufacturing Ltd.
 - Approving this purchase will increase the potential for the automated collection project to commence in early 2025
2. THAT Council direct staff to undertake a separate competitive bid process for the purchase of the four automated garbage trucks.
 - Purchasing through Canoe Procurement Group meets competitive bid criteria and enables the Municipality to access the preferred group pricing. A separate competitive bid process will most likely involve the same bidders as option one but will delay the purchase

IMPLICATIONS

The delivery time for the garbage trucks is estimated to be between 18 and 24 months. The commencement of the collection program is scheduled for the beginning of 2025. A separate competitive bid process can take up to two months to complete and, therefore, could delay the start of the automated collection service.

RECOMMENDATION

THAT Council authorize the purchase of three Freightliner M2-106 automated garbage trucks for \$1,577,204 and one Mack LR electric automated garbage truck for \$1,043,731 from Rollins Manufacturing Ltd.

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