

# Corporate Report

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**REPORT NUMBER** 274-2023-Community Services-Fleet Services

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**DATE**

**PREPARED** August 29, 2023

**FILE**

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**MEETING DATE** September 11, 2023

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**SUBJECT** Purchase of Eight New Tandem Trucks with Sideload Waste Packers Tender Award

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## **RECOMMENDATION**

WITH RESPECT to Report 274-2023-Community Services-Fleet Services, we recommend that Tender No. 2023-47 for the Supply and Delivery of eight (8) new Tandem Trucks with Side Load Waste Packers in the amount of \$5,121,503.05 (inclusive of HST and Contingency) be awarded to FST Canada Inc. of Winnipeg, Manitoba;

AND THAT the Manager – Supply Management be authorized to issue any purchase orders related to this tender;

AND THAT the Mayor and Clerk be authorized to sign all documentation related to these matters;

AND THAT any necessary By-laws be presented to City Council for ratification.

## **EXECUTIVE SUMMARY**

The report recommends that the award of tender for the replacement of eight existing Waste Packers be awarded to FST Canada Inc of Winnipeg, Manitoba. The trucks being replaced are more than ten (10) years old and are at the end of their useful life. These units have exceeded the expected average life cycle of seven (7) years for this class of asset.

## **DISCUSSION**

The long-term Fleet Asset Management Plan includes the cyclical replacement of Fleet assets to optimize life cycle costs and ensure the corporate fleet remains safe and reliable and continues to meet specific operational requirements.

The approved Community Services Capital Budget for Fleet replacement included sufficient funding for the replacement of these eight (8) Side Load Waste Packers.

The vehicles being replaced are more than ten (10) years old. All have exceeded the expected average seven (7) year life cycle for this class of asset.

The new waste collection vehicles will come equipped auto-cart ready and with split body compartments to accommodate co-collection of Garbage and Organic (Green Bin) waste.

A Request for Tender was advertised on Bids and Tenders with a closing time and date of 12:00 noon on August 22, 2023. Submissions were made public on the same day. The lone bid came from FST Canada Inc. of Winnipeg Manitoba. Administration is of the opinion that the bid received is competitive and accurately reflects anticipated market pricing.

The vehicle specifications and tender bids have been reviewed and approved by the Manager – Fleet Services, the Manager – Solid Waste and Recycling Services, and a representative from Supply Management. The vehicles will meet the requirements of the solid waste collection operation.

### **Electrification of waste packer fleet review**

Administration is supportive of moving toward electrification of the corporation's fleet, however electric packers are not recommended at this time.

While an early version of an electric option is currently on the market, there is little data available to gauge its performance in the northern climates. Testing shows that in colder weather heating the cabs is an issue and the batteries tend to lose charge to the point where the truck cannot complete a full shift on the road without having to return to the garage to be recharged for several hours. This would result in an increase in trucks and operators being required to complete routes each day.

The second-generation option that is currently available is heavier than a diesel propelled packer, thus it cannot carry the same payload as the packers currently being used. Given that the current packers are usually loaded to capacity by end of day, moving to a heavier electric packer would impact operations to the point that trucks would have to make midday trips to the landfill. Additional trucks and operators would be required to complete routes. A third-generation electric chassis is becoming available. It is not known at this time if the tare weight will be less, thereby adding load capacity.

Some municipalities in Canada have seen demos of electric packers. However, those that Administration has talked to state they were clean demos that showcase the vehicle but do not actually put it to work. To date Administration has not found a municipality that has purchased an electric packer.

Consulted municipalities, such as Guelph and Hamilton, are continuing to review electric options for packers but are looking for more solid data before moving forward with a purchase and implementation.

Research suggests that the cost of a fully electric packer is near double the cost of a packer on a diesel power chassis. This does not include the cost to upgrade the power supply infrastructure that would be required for charging.

There will be a report coming to Council in November 2023 regarding an electrification feasibility study conducted for the corporate fleet. The report will detail all aspects of electrification, including infrastructure requirements.

**FINANCIAL IMPLICATION**

Contract Tender Price	\$ 4,877,621.95
Contingency	\$ 243,881.10
Total Costs (inclusive of HST)	\$ 5,121,503.05
Less HST Rebate	\$ 509,433.64
Net Cost	\$ 4,612,069.41

There are sufficient funds in the existing Capital budgets for the purchase to proceed as Tendered.

**CONCLUSION**

It is concluded that Tender No. 2023-47 for the replacement of eight (8) Tandem Side Load Waste Packers be awarded to FST Canada Inc. as the lowest qualified tender. It is recommended that the purchase should proceed.

**BACKGROUND**

At the June 6, 2022, Committee of the Whole meeting, Report No. R 24/2022 – Food and Organic Waste Diversion (Green Bin) Program was approved by City Council. The approved Plan called for all waste collection vehicles purchased between 2022-2025 be outfitted auto-cart ready and with split body compartments to accommodate co-collection of Garbage and Green Bin waste.

**REFERENCE MATERIAL ATTACHED**

None.

***REPORT PREPARED BY***

Doug Glena, Manager – Fleet Services

***REPORT SIGNED AND VERIFIED BY***

Leah Prentice, General Manager (Acting) – Community Services

Date 08/30/2023 (MM/DD/YEAR)