

Staff Report

NO. PRO-2025-001

Department:	Procurement	Prepared By:	Heather Weese
Report To: (check all that apply)	Council	<input checked="" type="checkbox"/> Open Meeting	March 17, 2025
		<input type="checkbox"/> Closed Meeting	Meeting date.
	Committee of the Whole	<input type="checkbox"/> Open Meeting	Meeting date.
		<input type="checkbox"/> Closed Meeting	Meeting date.
	Committee	<input type="checkbox"/> Any Meeting	Meeting date.
Subject:	Kenworth Tractor Trailer Above Budget		
Supervisor Approval:	Rachelle Gagne		
CAO Approval:	Michelle Hendry		

A. Recommendation:

THAT the Council of the Corporation of the Municipality of Red Lake receives for information and accepts Staff Report PRO 2025-001 regarding the purchase of a Kenworth Tractor Trailer.

B. Background:

A Kenworth Tractor Trailer was approved for purchase in the 2025 Capital Budget, in the amount of \$238,372 (PWS2502, 2025 Kenworth Tractor Trailer T880).

The current trailer is utilized to haul steel monthly from the land fill site to Winnipeg, to support winter snow removal operations and to haul gravel. The trailer is fourteen (14) years old and has experienced repair costs of over \$140,000 since 2020 including a recent \$9,000 repair. The annual recertification is undertaken in June of each year; additional costs that may be required at that time are unknown.

Pricing for a Kenworth Tractor Trailer was obtained from Inland Truck & Equipment, Winnipeg, Manitoba through the Canoe Procurement Group of Canada (Canoe Group) purchasing agreement. The Canoe Group is a partnership of municipal associations across Canada who have partnered to create the Canoe Procurement Group of Canada, one of the largest public sector buying groups in the country.

The Municipality of Red Lake has a purchasing agreement with Canoe Group and as such, an internal competitive procurement process was not required as contracts were secured through the Canoe RFP process.

The quotation received from Inland Truck & Equipment through the Canoe Group was valid for seven (7) days due to the volatile exchange rate.

In order to obtain best pricing, Staff moved forward with accepting the quotation and the purchase process for the Kenworth Tractor Trailer. A discount of 2.8% was able to offset the increase that has occurred due to the volatile economy.

C. Financial Considerations and Budget Impact:

- The accepted purchase price is \$254,882.34 (inclusive of non-refundable HST) for this asset
- The price increased by \$16,610 or approximately 7.0% from 2024
- The new model year is issued in January of the prior year (2026 is issued in January 2025) and the trailers are built to order. There is no option for acquiring the previous model year
- Due to new emissions regulations, there is a surcharge for manual transmission (US government regulations) and this was included in the price noted above

D. Council Policy and Guidelines:

Applicable Procurement By-law sections:

Section 4.2 (iv): Purchases exceeding \$150,000 require sealed tenders, RFPs, or three written quotations. The use of the Canoe purchasing agreement satisfies this requirement.

Section 5.2: Any formal contract arising from this purchase must be approved by Council via By-Law and signed by the Mayor and Municipal Clerk.

Section 8.1 (i): As the purchase exceeds \$1,000, it must be signed by the Treasurer.

E. The Municipality of Red Lake Strategic Plan:

Objective 7.2 – Evaluate opportunities to increase self-sustainability of Municipal services

F. Alternatives:

No alternatives were considered.

Through the Canoe Procurement Group of Canada (Canoe Group) purchasing agreement the Municipality obtained best pricing available for this purchase.

Submitted By:

Heather Weese, Procurement & Resource Planning Specialist)

