

November 4, 2020

Report To: Travis Rob, Manager of Operations and Facilities

From: Milt Strachan, Transportation Superintendent

**RE: Purchase of New Front End Wheeled Loader**

The Town reached out to suppliers under the LAS Group Purchasing program for the purchase of a new Front End Loader. Because the tendering has already been completed by LAS a full tender did not have to be prepared for this purchase, however some specifications specific to the Town of Fort Frances's requirements were provided to both Bidders. Appropriate wording has not yet been included in our procurement policy as this policy is currently under review by Administration. Therefore, in accordance with the Administration report dated April 8, 2020, a report is being brought forward to document the purchase. Toromont Cat (Caterpillar) and Brandt Equipment (John Deere) were sent a spec by which to price us a Front End Wheeled Loader including the trade in of our 2006 Caterpillar IT38G Front End Wheeled Loader.

The prices are shown below.

Firm	New Loader Price	Trade In value	Subtotal	Town's portion HST	Total Price	Delivery
John Deere	\$309,000.00	-\$44,000.00	\$265,000.00	\$4,664.00	\$260,336.00	90 Days
Cat 938M	\$309,000.00	-\$43,700.00	\$265,300.00	\$4,669.28	\$260,630.72	120 Days
Cat 950GC	\$314,500.00	-\$43,700.00	\$270,800.00	\$4,766.08	\$266,033.92	120 Days

The 2020 Capital budget allocation for this purchase is \$290,000.00 so the John Deere Loader and both the Caterpillar Loaders are within budget allocation. All three of the Loaders meet or exceed the required specifications. The Caterpillar 950GC is about 6000 lbs. over the weight in the specifications and is too big of a loader for what we need as well as being the highest priced of the three. The John Deere 624L and the Caterpillar 938M are very close in all specifications and performance. The John Deere does hold a slight edge in horsepower.

I consider the service we get as a huge part of a contract and out of many years of experience with both dealers I can confirm that the service we get from John Deere is second to none. We have been put on the back burners by Cat on several occasions where bigger companies have taken priority and have had to pay travel expenses to get a technician to our shop even when it was warranty work. Both Companies make a great product.

It is my recommendation that the Town of Fort Frances purchases the John Deere 624L at a total cost of \$260,336.00.

Respectfully Submitted,



Milt Strachan,  
Transportation Superintendent,  
Town of Fort Frances

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