

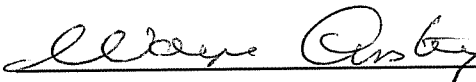


PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

10.1.1

Halifax Regional Council
March 28, 2006

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
Wayne Anstey, Acting Chief Administrative Officer

DATE: March 17, 2006

SUBJECT: **Award of Tender #06-030 - Lease of Twelve (12) 2006 Four Door Wagons**

ORIGIN

HRM business units currently use both owned and leased vehicles to supply their services. Currently, there is a need to:

- replace 9 leased vehicles, as the leases have expired, and
- lease 3 additional vehicles for service expansions identified and approved in the 05/06 operating budget.

RECOMMENDATION

It is recommended that Regional Council:

1. Award Tender #06-030 to Chebucto Ford Sales for the lease of twelve (12) 2006 Four Door Wagons, for a total lease amount of \$164,464.00 (net HST included).
2. Authorize the Mayor and Municipal Clerk to enter into a 36-month lease with Chebucto Ford Sales for twelve (12) Four Door Wagons, with funding to be provided from the operating budget, as detailed in the Budget Implications section of this Report, and subject to written approval from the Minister of Service Nova Scotia and Municipal Relations as required under Section 88(4) of the Municipal Government Act.

BACKGROUND

The Community Projects Division of Environmental Management Services require nine(9) 4-door wagons to replace existing leases expiring in 2006 and three(3) additional units to meet operational requirements. These vehicles are used by the By-Law, Animal, Taxi & Limousine Services sections of Community Projects to provide by-law enforcement services to HRM.

DISCUSSION

Detailed specifications were developed by Fleet Services based on requirements identified by:

Business Unit / Division	Replacement Vehicles	Additional Vehicles
Environmental Management Services	9	3
Total # of Vehicles	9	3

A tender was issued in February 2006. Four (4) responses were received, with all bidders meeting specifications, as follows:

<u>Company Name</u>	<u>Total 36 Month Lease (net HST included)</u>
Chebucto Ford Sales	\$164,464.00 *
Blaikies Dodge Chrysler	\$184,226.00
Steele Chrysler Dodge Jeep	\$187,912.00
Steele Chrysler Dodge Jeep	\$207,809.00

* Lowest bidder for leasing.

Note: All lease rates include 125,000 free kilometers.

Staff recommend award of the tender to Chebucto Ford Sales as the lowest leasing bidder meeting specifications, for a thirty-six (36) month lease for twelve (12) 2006 4-door wagons.

Chebucto Ford Sales will be supplying 2006 Ford Focus 4-Door Wagons and delivery is approximately 8 weeks from date of order.

BUDGET IMPLICATIONS

Budgetary impact over the 36-month lease will be \$13,706.00 (including net HST) for each vehicle. Environmental Management Services have confirmed funding availability within the approved 2006-07 operating budget under cost element S220-6807 (Vehicle Leases). As of April 1, 2006 Community Projects will be transferred to Halifax Regional Police and budget will be transferred over at that time.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

There are no alternatives to the lease as there are no Capital funds identified to purchase the required vehicles. Purchasing the vehicles is not suggested as it would require currently funded capital projects to be deferred to a future budget year to free up the money to purchase these vehicles.

ATTACHMENTS

N/A.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

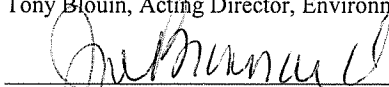
Report Prepared by: Dale Carman, Procurement Coordinator (490-6476)

Report Approved by:



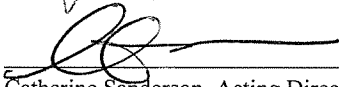
Tony Blouin, Acting Director, Environmental Management Services (490-4610)

Financial Review by:



Joan Broussard, Financial Consultant, Financial Services (490-6267)

Report Approved by:



Catherine Sanderson, Acting Director, Finance(490-1562)