



**CITY OF HAMILTON**  
**PUBLIC WORKS DEPARTMENT**  
**Environmental Services Division**

<b>TO:</b>	Chair and Members Public Works Committee
<b>COMMITTEE DATE:</b>	August 16, 2023
<b>SUBJECT/REPORT NO:</b>	Combustion Powered Small Equipment Manufacturer's Standardization Renewal (PW18028(a)) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Rob Wagner (905) 546-2424 Ext. 5379
<b>SUBMITTED BY:</b>	Cynthia Graham Director, Environmental Services Public Works Department
<b>SIGNATURE:</b>	

**RECOMMENDATION**

- (a) That Council approve the continued standardization of commercial grade combustion powered small equipment products and parts manufactured by Honda and Stihl and the single sourcing of the supply and delivery of the products, parts and services for the equipment with the licensed distributors identified in Appendix "A" to Report PW18028(a), pursuant to Procurement Policy #14 – Standardization, until August 18, 2028 for the Environmental Services, Waste Management and Transportation Divisions;
- (b) That the General Manager, Public Works, or their designate, be authorized to negotiate, enter into, and execute any required contract and any ancillary documents required to give effect thereto with those licensed distributors identified in Appendix "A" to report PW18028(a) with content acceptable to the General Manager of Public Works, and in a form satisfactory to the City Solicitor; and
- (c) That the General Manager, Public Works, or their designate, be authorized to amend any contracts executed and any ancillary documents as required if a service provider, manufacturer, or distributor identified in Appendix "A" to Report PW18028(a) undergoes a name change in a form satisfactory to the City Solicitor.

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OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

## **EXECUTIVE SUMMARY**

This Report proposes to extend the approval of “Stihl” and “Honda” manufacturers as the City of Hamilton’s (City’s) standard for combustion powered small equipment (including commercial grade small equipment utilizing Honda engines) used by the Environmental Services, Waste Management and Transportation Divisions for a five-year period. These equipment manufacturers listed in Appendix “A” to Report PW18028(a) were approved as the City’s standard as part of Report PW08029 in 2008, in report PW08029a in 2013, and again in report PW18028 in 2018 following the City’s Procurement Policy #14 - Standardization. Combustion Powered small equipment includes products containing engines such as lawnmowers, trimmers, leaf blowers, rototillers, etc. There is a diverse market for small equipment suppliers which offer products of varying quality and pricing. The use of the City’s Procurement Policy #14 - Standardization helps the City to target certain products which best suit the City’s operational requirements.

Stihl and Honda products are currently being used successfully among several groups in the Public Works Department, including the Parks & Cemeteries Section, Forestry & Horticulture Section within the Environmental Services Division, Downtown Cleanliness with the Waste Management Division, and the Roadway Maintenance Section within the Transportation Division. Purchasing high quality equipment has lower maintenance costs and a higher reliability which leads to fewer equipment problems in the field.

Extending the City’s manufacturer standard for the use of Stihl and Honda combustion powered small equipment will allow staff to continue to provide services in an efficient manner as we continue to investigate battery powered equipment. During the period of this standardization request staff will gather more information to formulate a path forward with regards to battery powered small equipment.

## **Alternatives for Consideration – Page 5**

## **FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: Small equipment purchases are funded through annual capital projects that are funded from a transfer from operating Dept IDs to the Small Equipment - Environmental Services Reserve (#100034) and Equipment Replacement – Operations Reserve (#110040). Repairs to small equipment are funded from various accounts in the annual operating and capital budgets for the Environmental Services Division and the Transportation Division.

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Small Equipment - New Units				
	2020	2021	2022	2023 YTD
Transportation	\$48,732.62	\$52,860.48	\$24,344.25	\$16,406.16
Parks and Cemeteries	\$104,403.79	\$101,514.90	\$66,074.51	\$33,479.56
Forestry and Horticulture	\$38,088.33	\$13,257.11	\$7,933.86	\$14,367.94
Total	\$191,224.74	\$167,632.49	\$98,352.62	\$64,253.66

Small Equipment – Repairs				
	2020	2021	2022	2023 YTD
Transportation	\$20,937.70	\$9,612.39	\$27,259.00	\$2,658.22
Parks and Cemeteries	\$17,532.41	\$6,148.52	\$4,419.21	\$1,339.39
Forestry and Horticulture	\$9,258.29	\$11,280.24	\$10,800.24	\$2,020.31
Total	\$47,728.40	\$27,041.24	\$42,478.24	\$6,017.92

Staffing: N/A

Legal: N/A

**HISTORICAL BACKGROUND**

Council approved Stihl and Honda as the City’s small equipment standards for the Public Works Department in 2008 through Report PW08029, in 2013 through Report PW08029a, and again in 2018 through Report PW18028. Stihl is the approved standard for string and hedge trimmers, chainsaws, leaf blowers and multi-purpose “Kombi” system engines and attachments. Honda is the approved standard for the purchase of walk behind lawnmowers, generators, water pumps, and engine components for lawn-edgers, aerating equipment, rototillers, compactors, debris loaders, and walk-behind leaf blowers.

Small equipment is primarily used by the Environmental Services Division (Parks & Cemeteries, Forestry & Horticulture Sections) and the Transportation Division (Roadway Maintenance & Transportation Operations Sections). Collectively, these two Divisions have approximately 1,500 pieces of small equipment in their inventory, of which is nearly entirely comprised of Stihl and Honda products. The Waste Management Division has 13 pieces of small equipment. Good quality small equipment is essential to provide the City’s programs in a cost-effective manner. Additionally, purchasing high quality equipment has lower maintenance costs and a higher reliability which leads to fewer equipment problems in the field.

The City has processes in place for small equipment repair, inventory control, equipment acquisition and eventual disposal. Trained staff perform minor equipment repair such as replacing filters or sparkplugs. Approved external repair vendors are used for major repairs and service / warranty work. Equipment acquisition is purchased

through official dealers. These vendors are licensed distributors for Stihl and Honda equipment.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

The information contained in this report is affected by the City's Procurement Policy By-Law No. 20-205 as amended, Policy #14 - Standardization. This policy states that equipment standardizations require Council approval.

## **RELEVANT CONSULTATION**

Staff contacted other municipalities to obtain information on best practices on small equipment standards. A copy of the survey results is outlined in Appendix "B" attached to Report PW18028(a). Based on the feedback, Stihl and Honda equipment is commonly used and preferred in other municipalities and the Hamilton Conservation Authority.

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

The City adopted Procurement Policy #14 - Standardization for the small equipment acquisition so that the City has reliable equipment for its operations and to reduce operating costs. The Environmental Services Division and Transportation Division use similar types of small equipment for their operations, and equipment purchases are completed in a collective manner. Equipment standardization allows the City to obtain the same brand of commercial quality equipment for its operations.

There are several benefits with equipment standardization:

**Effective services** - The use of dependable equipment will provide cost savings through reduced break-down periods as a result of having more up-time in the field. Additionally, by purchasing a standard brand and model of equipment users will all have the same training and common parts can be kept on hand for simple repairs.

**Administration** - Standardization allows staff to streamline the time requirements for equipment procurement, inventory maintenance, and stocking supplies.

### **Product Quality**

As part of this Report, staff completed a review of various small equipment brands in order to determine suitable products for the City's use. Stihl and Honda were selected for the City's operations because these manufacturers are considered to be industry leaders in the small equipment field. These manufacturers are preferred by local equipment rental agencies and by other municipalities/conservation authorities. Since

approving the Standardization Policy first in 2008, then in 2013 and 2018, staff have continued to review new trends in the small equipment field at trade shows and demonstrations and found that Stihl and Honda still offer the most suitable products for the City. Staff contacted other municipalities to obtain information on best practices on small equipment standards. Based on the feedback, Stihl and Honda equipment is commonly used and preferred in other municipalities and by the Hamilton Conservation Authority. Continuation with Stihl and Honda products over the next five years will allow the City to have reliable, low maintenance equipment for its programs.

The Standardization Policy is important for the ongoing maintenance requirements for small equipment. Stihl and Honda have local authorized repair facilities, geographically convenient to our staffed locations, which minimize equipment downtime. By having standardized equipment, it is easier to maintain the City's stock of repair parts, which in turn will streamline the City's repair and maintenance workload over the next five years. Replacement parts such as guards, filters, and sparkplugs are readily available for these equipment manufacturers. Equipment standardization helps to simplify the City's inventory control process for spare parts. The City's yards have replacement parts on hand for minor repairs completed by staff.

#### Small Equipment Administration

The City currently has purchase orders set up with multiple licensed distributors to supply Stihl and Honda products and these distributors are approved equipment repair facilities. Since adopting the Standardization Policy, staff has used best efforts to order products and utilize the services from these dealers in an equitable manner. Purchase orders for all the vendors are established and carefully managed to ensure equitable spending.

Standardized equipment is important with respect to worker health and safety requirements. Each staff member who needs to operate small equipment for their work duties must complete mandatory safety training so that they can operate the equipment in a safe manner. It is simpler to facilitate the equipment training by having consistent equipment brands.

#### **ALTERNATIVES FOR CONSIDERATION**

As an alternative to extending the current equipment standards, staff may initiate the procurement process to set up a new contract to purchase small equipment. The procurement process would provide the City with pricing from vendors based on the City's specifications. Through the Tender process, the City would be required to purchase that might meet City specifications but do not have the same reliability, durability and are prone to failure which leads to downtime and repairs. This creates several challenges including:

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Work inefficiencies - Substandard equipment will increase the likelihood of equipment breakdown which will impact staff productivity.

Financial costs - There is a possibility of increased financial risk associated with equipment breakdowns, increased repair costs, and higher inventory costs for stocking additional parts.

Staff will continue to monitor market trends in the small equipment field so that the City is current on equipment standards.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix "A" attached to Report PW18028(a) – Locations of Manufacturers, Dealers, Sale, Parts and Service for Commercial Small Equipment

Appendix "B" attached to Report PW18028(a) – Municipal Scan – Small Equipment