

NO: R145

COUNCIL DATE: September 11, 2023

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **September 7, 2023**

FROM: **General Manager, Engineering**

FILE: **1220-040-2023-013**

SUBJECT: **Award of Contract No. 1220-040-2023-013
Supply of One 8 Ton and One 15 Ton Excavator**

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract No. 1220-040-2023-013 to Avenue Machinery Corporation & Douglas Lake Equipment in the amount of \$556,488.80 (including all applicable taxes and levies) for the supply of one 8-ton zero tail swing excavator and one 15-ton reduced tail swing excavator;
2. Set the expenditure authorization limit for Contract No. 1220-040-2023-013 at \$556,488.80 (including applicable taxes and levies); and
3. Authorize the General Manager, Engineering to execute Contract No. 1220-040-2023-013.

INTENT

The purpose of this report is to seek Council approval for staff to purchase one 8-ton zero tail swing excavator and one 15-ton reduced tail swing excavator, as identified within this report.

DISCUSSION

Scope of Work

As part of the 2023 Fleet Capital Replacement Budget, the Engineering Department identified two excavators requiring replacement due to age, hours, and condition. The excavators are operated by Engineering Operations for various maintenance and construction works. The new units will be replacing machines which are at the end of their economic life, have been fully depreciated and require replacement.

Quotation Results

In March 2023, a Request for Quotations ("RFQ") was posted on the BC Bid and City of Surrey websites for 8-ton and 15-ton excavators. The City received nine conforming submissions from five proponents as follows:

8-Ton Machine

	Supplier	Tendered Amount (including taxes and levies)	Corrected Amount
1.	Avenue Machinery Corporation & Douglas Lake Equipment (Kobelco)	\$225,591.52	No Change
2.	Inland Truck & Equipment (Case)	\$232,932.48	No Change
3.	Brandt Tractor (John Deere)	\$288,400.00	No Change

15-Ton Machine

	Supplier	Tendered Amount (including taxes and levies)	Corrected Amount
1.	Avenue Machinery Corporation & Douglas Lake Equipment (Kobelco)	\$330,897.28	No Change
2.	Great West Equipment (Volvo)	\$362,656.00	No Change
3.	Inland Truck & Equipment (Case 145X4 15K)	\$371,671.88	No Change
4.	Inland Truck & Equipment (Case CX145D 15K)	\$375,614.08	No Change
5.	Finning Canada (Cat)	\$390,880.00	No Change
6.	Brandt (John Deere)	\$429,520.00	No Change

Evaluation

An evaluation team involving staff from the Engineering Department and Finance Department reviewed the quotations for accuracy and completeness. Two submissions were found to be non-compliant, and as such were rejected. The remaining nine submissions were found to be compliant and were fully evaluated.

Avenue Machinery Corporation & Douglas Lake Equipment provided the lowest quotation and provides the best overall value to the City. They have previously supplied similar equipment to the City and their products and service have been satisfactory.

It is therefore recommended that Avenue Machinery Corporation & Douglas Lake Equipment be awarded Contract No. 1220-040-2023-013 for the supply and delivery of one 8-ton and one 15-ton excavator.

FUNDING

Funding for this contract is available in the 2023 Fleet Capital Replacement Budget.

Scott Neuman, P.Eng.
General Manager, Engineering.

RK/cc/bn