

CORPORATE REPORT

NO: R225 COUNCIL DATE: December 2, 2019

REGULAR COUNCIL

TO: Mayor & Council DATE: November 21, 2019

FROM: General Manager, Engineering FILE: 2320-20 (Tandem Axle

Trucks)

SUBJECT: Award of Contract No. 1220-040-2019-079

Supply of Five Tandem Axle Dump Trucks

RECOMMENDATION

The Engineering Department recommends that Council:

- 1. Award Contract No. 1220-040-2019-079 to First Truck Centre Vancouver Inc. in the amount of \$2,462,056.80 (including all applicable taxes and levies) for the supply of five tandem axle dump trucks;
- 2. Set the expenditure authorization limit for Contract No. 1220-040-2019-079 at \$2,600,000.00 (including contingencies and taxes); and
- 3. Authorize the General Manager, Engineering to execute Contract No. 1220-040-2019-079.

INTENT

The purpose of this report is to seek Council approval for staff to purchase five tandem axle dump trucks and associated winter maintenance equipment, as identified within this report.

DISCUSSION

As part of the Capital Replacement and Additions Budget, the Engineering Department has identified five tandem axle trucks which require replacement. All of the tandem axle trucks identified for replacement are between 15 and 16 years old, at the end of their economic life, and require replacement to ensure the City has sufficient tandem axle trucks available to meet the City's day-to-day operational requirements.

The replacement of these fleet vehicles will also further improve upon the City's already positive winter maintenance performance, as the new vehicles are equipped with salt spreading technology and pre-wetting capabilities (brine solution).

QUOTATION RESULTS

In accordance with the Purchasing and Expenditure Authorization Bylaw, a Request for Quotations ("RFQ") was posted on the BC Bid and City of Surrey websites. The following suppliers submitted quotes:

Supplier	Tendered Amount	Corrected Amount
	(including taxes & levies)	
First Truck Centre Vancouver Inc.	\$2,282,296.80	No Change
Inland Kenworth	\$2,356,289.60	No Change
Peterbilt Pacific Inc.	\$2,446,057.60	No Change

EVALUATION

An evaluation team involving staff from the Engineering Department and the Finance Department reviewed the quotations for accuracy and completeness. Four suppliers provided bids; however, one submission was found to be non-compliant, and as such, was rejected.

First Truck Centre Vancouver Inc. provided the low bid for the full scope of the RFQ. First Truck Centre Vancouver Inc. has previously supplied similar vehicles to the City, and their products and service have been satisfactory. The proposed replacement trucks include specifications that meet the City's day-to-day requirements, as well as provide the Engineering Department with winter maintenance capabilities, including front mount ploughs and salt spreaders. In addition, the proposed trucks will meet the latest engine emission standards. The City currently operates ten trucks of the same specification as offered by First Truck Centre Vancouver Inc.

The benefits of having a standardized truck fleet is difficult to quantify in monetary terms; however, savings over the operational life of the truck would come from:

- Reduction in spare parts inventory;
- Mechanics familiar with maintenance of trucks;
- Reduction in training of mechanics;
- Drivers familiar with layout of controls and operation of the trucks;
- Reduction in driver training and orientation; and
- No cost for an additional subscription service for maintenance alerts.

It is therefore recommended that First Truck Centre Vancouver Inc. be awarded Contract No. 1220-040-2019-079 for the supply and delivery of five tandem axle dump trucks with winter maintenance equipment.

SUSTAINABILITY CONSIDERATIONS

The purchase of the tandem axle dump trucks and winter maintenance equipment, and associated economic and environmental benefits, supports the objectives of the City's Sustainability Charter 2.0. In particular, the purchase relates to the Sustainability Charter 2.0 themes of Ecosystems and Infrastructure. Specifically, the purchase supports the following Desired Outcomes ("DO"):

Water, Air and Soil DOg: Air quality meets or exceeds established standards; and

• Energy and Climate DO7: Per capita emissions are low, and align with global, national and provincial GHG reduction targets.

FUNDING

Funding for the supply of the five tandem axle dump trucks and associated equipment is available from the Fleet Capital Replacement Program.

Scott Neuman, P.Eng. General Manager, Engineering

RK/cc

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