

NO: R021

COUNCIL DATE: January 31, 2022

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **January 27, 2022,**

FROM: **General Manager, Engineering**

FILE: **1280-01**

SUBJECT: **Award of Contract No. 1220-040-2021-075
Supply and Delivery of Various Vehicles**

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract No. 1220-040-2021-075 to Metro Motors Ltd. in the amount \$2,969,081.72 (including applicable taxes and levies) for the supply of 37 vehicles;
2. Set the expenditure authorization limit for Contract No. 1220-040-2021-075 at \$3,100,000.00 (including contingencies and taxes); and
3. Authorize the General Manager, Engineering to execute Contract No. 1220-040-2021-075.

INTENT

The purpose of this report is to seek Council approval to purchase 37 vehicles in various configurations (as outlined in Appendix "I") to maintain the City's fleet to a state of good repair and accommodate growth in the City.

DISCUSSION

As identified in the Fleet Capital Replacement Plan, the City requires the replacement of 29 medium and light duty vehicles to replace existing fleet vehicles that have been assessed, and due to their age and condition it has been determined they are at the end of their service life. In addition, the City requires eight new vehicles as additions to the fleet.

To support the City's Corporate Emissions reduction targets, 34 of the 37 new vehicles will be either dual fuel, capable of running on both Compressed Natural Gas ("CNG") and gasoline, or gasoline/electric hybrid vehicles.

QUOTATIONS RESULTS

In October 2021, a Request for Quotation (“RFQ”) was posted on BC Bid and the City of Surrey website. The City received three submissions that met the bid requirements:

Supplier	Tendered Amount Including Taxes and Levies	Value Add Warranty on CNG Vehicles
Dams Ford Lincoln Ltd.	\$2,940,720.00	No
Metro Motors Ltd.	\$2,969,081.72	Yes
Mainland Ford Ltd.	\$2,988,879.04	No

EVALUATION

The evaluation team included staff from Engineering and the Finance Department who reviewed the quotations for accuracy and completeness.

Dams Ford Lincoln Ltd. and Mainland Ford Ltd. will not provide an engine warranty on the vehicles which would be converted to CNG. In addition, both Dams Ford Lincoln Ltd. and Mainland Ford Ltd. requested up-front payment for the CNG cylinders for the CNG conversion and did not provide a price commitment date.

Conversely, Metro Motors Ltd. met all the requested specifications of the bid and have agreed to hold their price until February 28, 2022, to allow the City sufficient time to obtain Council approval for the purchase.

In addition, Metro Motors Ltd. has offered a value-added addition to their submission by providing an engine warranty for five-years or 100,000 km's on the 23 vehicles converted to CNG. The price difference between the low bid from Dams Ford Lincoln Ltd. and the Metro Motors Ltd bid is approximately \$29,000.00. Should an engine fail, the estimated cost for engine replacement is approximately \$15,000.00. The warranty on these 23 vehicles is advantageous and its inclusion by Metro Motors Ltd. provides the best value to the City and is consistent with the City's commitment to alternative fuel initiatives.

It is recommended that Metro Motors Ltd. be awarded Contract No. 1220-040-2021-075 for the supply and delivery of 37 various vehicles.

SUSTAINABILITY CONSIDERATIONS

The purchase of the vehicles supports the objectives of the City's Sustainability Charter 2.0. In particular, the purchase relates to the Sustainability Charter theme of Infrastructure. Specifically, this purchase supports the following Desired Outcomes (“DOs”) and Strategic Direction (“SD”):

- Energy and Climate DO7: Per capita emissions are low, and align with global, national and provincial GHG reduction targets;
- Transportation DO13: Low-emission vehicles predominate and are supported by the necessary fueling infrastructure; and
- All Infrastructure SD1: Proactively manage community assets to maintain them over the long term in a state of good repair.

FUNDING

Funding for the supply of the 29 replacement vehicles and eight new vehicles is from the approved 2021 & 2022 Fleet and Equipment Capital Budget.

Scott Neuman, P.Eng.
General Manager, Engineering

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Appendix "I": List of Vehicles

[https://surreybc.sharepoint.com/sites/eng.administration/wp_docs/2022/admin/cr/january_31/2_supply_vehicles/rfq_award_of_contract_no._1220-040-2021-075_various_vehicles_\(01202022\)_clean.docx](https://surreybc.sharepoint.com/sites/eng.administration/wp_docs/2022/admin/cr/january_31/2_supply_vehicles/rfq_award_of_contract_no._1220-040-2021-075_various_vehicles_(01202022)_clean.docx)
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APPENDIX "I"

Capital Replacement Vehicles

Vehicle	Quantity	Fuel	Department
Ford F600 Dump Truck	2	CNG	Parks, Recreation & Culture
Ford F600 Dump Truck	4	CNG	Engineering
Ford F150 Pickup Truck	5	CNG	Engineering
Ford F150 Pickup Truck	1	CNG	Parks, Recreation & Culture
Ford F150 Van	1	Gasoline	Engineering
Ford F250 Van	3	CNG	Corporate Facilities
Ford F350 Van	2	CNG	Engineering
Ford Escape Hybrid	10	Gasoline/Electric	Corporate Services
Ford Escape Hybrid	1	Gasoline/Electric	Engineering

Additional Net New Vehicles

Vehicle	Quantity	Fuel	Department
Ford F150 Pickup	3	CNG	Parks, Recreation & Culture
Ford F150 Van	2	Gasoline	Parks, Recreation & Culture
Ford F250 Van	3	CNG	Corporate Facilities