



## CITY OF VANCOUVER

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### ADMINISTRATIVE REPORT

Report Date: May 28, 2008  
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VanRIMS No.:08-2000-20  
Meeting Date: June 24, 2008

TO: Vancouver City Council

FROM: General Manager of Engineering Services  
Manager of Materials Management

SUBJECT: AWARD OF TENDER PS08034 - THE SUPPLY & DELIVERY OF TEN (10)  
RECYCLING TRUCKS

#### RECOMMENDATION

- A. THAT, subject to the conditions set out in Recommendations B, C, and D, Council authorize the General Manager of Engineering Services and the Manager of Materials Management to award to the lowest bid meeting specifications and providing best value from Rollins Machinery for ten (10) 2009 model year trucks (Crane Carrier chassis and Labrie recycling bodies), at a total cost of \$1,886,897.20, plus applicable taxes (less any municipal rebate received) and the Provincial Environmental Levy; source of funding to be the Truck and Equipment Plant Account.
- B. THAT, the Director of Legal Services be authorized to execute and deliver on behalf of the City all legal documents required to implement Recommendation A.
- C. THAT, all such legal documents be on terms and conditions satisfactory to the General Manager of Engineering Services, Manager of Materials Management and the Director of Legal Services.
- D. THAT, no legal rights or obligations will be created by Council's adoption of Recommendation A, B and C above unless and until such legal documents are executed and delivered by the Director of Legal Services.

**COUNCIL POLICY**

The policy of Council is to secure contracts for the purchase of equipment, supplies and services that will give the best value, based on quality, service and price.

Contracts with a value over \$300,000 are referred to Council.

Council approves expenditures from Reserves, including the Truck and Equipment Plant Account.

**DISCUSSION**

Tenders for the above were opened on March 27, 2008 and referred to the General Manager of Engineering Services and the Manager of Materials Management for report.

The 5% Goods and Services Tax (less any municipal rebate received), Provincial Sales Tax and the Provincial Environmental Levy are in addition to all the prices shown in this report.

The tender called for pricing for ten (10) recycling trucks. The truck encompasses the chassis and recycling body. In addition to notifying incumbent suppliers to the City and other well known vendors, the tender was advertised in the Vancouver Sun and on the City's and BC Purchasing Commission's website.

The recycling trucks are replacing ten (10) existing units used by the Sanitation Operations Branch. The recycling trucks have the ability to collect up to five (5) different types of recyclables in five (5) separate compartments.

Eight (8) bids were received from two (2) vendors with pricing ranging between \$182,289.72 and \$200,444.72 per unit (price includes the option for an automatic lubrication system). Bids 1 to 4 were from Rollins Machinery and Bids 5 to 8 were from Vimar Equipment.

A deadman control system was specified in the tender as a feature that would bring the recycling truck to a complete stop in the event the operator left the cab without engaging the parking controls. This feature was available on the last purchase of City recycling trucks in 1997. None of the bids during this tendering process offered this feature because of claims from chassis manufacturers of increased maintenance and reduced component life due to the unattended use of the control system. During the evaluation of the bids, trucks were demonstrated by City staff without the control feature and found to have been acceptable for use. In addition to private recycling haulers, local municipalities with recycling operations were contacted and none of them made use of this feature. To that end, the deadman control system was not considered in the evaluation of the bids.

The evaluation of the eight bids started from the low bid (i.e., Bid 1), and progressed until a bid was found that met specifications. The table below lists the unit pricing including the option for an automatic lubrication system for the bids that were evaluated.

	Bid 1	Bid 2	*Bid 3	Bid 4 (Ref. Only)
<b>Total Price</b>	\$182,289.72	\$182,394.72	\$188,689.72	\$190,283.72

\*price includes the additional cost for ergonomic improvements.

Bid 1 does not meet the visibility requirement of the tender. This bid offered a cab layout that had poor visibility from the operating position. Bid 2 does not meet the turning radius specification of 35'-0". This requirement is important in order for the units to manoeuvre the tight lanes in the City. Bid 3 from Rollins Machinery is the lowest bid meeting specifications but requires \$2,900 in minor modifications in order to improve the ergonomics of the units for the operators. The \$2,900 increase per unit leaves Bid 3, \$1,594 cheaper than the next highest bid, Bid 4.

### **FINANCIAL IMPLICATIONS**

The existing units are scheduled and approved for replacement as part of the 2004, 2005 and 2006 Equipment Replacement Programs. Funding for the replacement of ten (10) recycling trucks totalling \$1,886,897.20, plus applicable taxes (less any municipal rebate received) and the Provincial Environmental Levy, will be provided from the Truck and Equipment Plant Account.

### **ENVIRONMENTAL IMPLICATIONS**

The replacement units will meet the current EPA emission standards for heavy-duty diesel engines and therefore emit significantly less tail pipe emissions than the existing units.

### **CONCLUSION**

Accordingly, we recommend acceptance of Bid 3, the lowest bid meeting specifications and offering best value from Rollins Machinery, for ten (10) 2009 model year recycling trucks at a total cost of \$1,886,897.20 (\$180,369.00 each plus \$5,420.72 for automatic lubrication system, plus \$2,900.00 for ergonomic modifications).

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