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ADMINISTRATIVE REPORT

Report Date: June 01, 2009
Contact: Wendy Corneau
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VanRIMS No.: 08-2000-20
Meeting Date: June 16, 2009

TO: Vancouver City Council
FROM: General Manager of Engineering Services
SUBJECT: Award of Contract for RFP PS09040 - Towing Services

RECOMMENDATION

- A. THAT Council accept the Proposal meeting the City's requirements from Alltech Transport Ltd. dba Buster's Towing for towing services for a five (5) year period commencing on June 30, 2009, at a value of \$601,900.00 per year.
- 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 Supply 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.

GENERAL MANAGER'S COMMENTS

The General Manager of Engineering Services RECOMMENDS approval of recommendations A, B, C and D.

COUNCIL POLICY

The policy of Council is to award 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.

PURPOSE

The purpose of this report is to obtain Council approval to award the contract for towing services for all City Departments and Boards to Alltech Transport Ltd., dba Buster's Towing.

BACKGROUND

On September 8, 1998, City Council approved the recommendation set out in the Towing Services Contract Restructuring report that the City set rates for the towing of impounded vehicles and equipment to the ICBC rate schedule in order to improve unsatisfactory service response. As previously reported to Council, the City does not receive any revenue from the tow rates. However, the City does receive revenue in the form of license payments for the rental of the City land used as Impound Lots (temporary storage and processing facilities) utilized by the successful towing contractor on the City's behalf. The license payments have been structured to represent market value and ultimately this revenue, together with the daily storage fees charged to impounded vehicle operators, will recover the City's cost of providing the land and of building the respective processing facility.

DISCUSSION

On March 4, 2009, a Request for Proposals No.PS09040 ("RFP") for the towing of impounded vehicles; towing disposal and administration of abandoned vehicles; and towing of disabled City vehicles, was issued on the City's Website and BC Bid. Proposals were received from three Proponents and were opened on April 1, 2009.

The submissions were evaluated by staff from the Engineering, Vancouver Police and Purchasing departments with input from Legal Services based on demonstrated ability, qualifications and experience, proposed methodology and available resources. The five staff who reviewed the 25 criteria were unanimous in determining that Alltech Transport Ltd. represented best value to the City given that their proposal ranked highest in the overall evaluation. The selection of the successful proposal was based on a list of appropriate criteria related to service quality, personnel, capacity of organization, equipment and other relevant metrics.

FINANCIAL IMPLICATIONS

The City's portion of the contract, estimated at \$601,900.00 per year, is funded by various accounts including Engineering fleet maintenance, Police towing and fleet maintenance and the abandoned vehicle impoundment & disposal program budgets.

ENVIRONMENTAL IMPLICATIONS

The recommended proponent has offered to replace all existing 1.5 ton vehicles which are more than 4 years old with vehicles and engines utilizing "blue tech" TM or equivalent technology. This reduces both NOx (nitrogen oxide) and PM (particulate matter) by 90% over 2004 levels and currently exceeds 2010 US EPA regulations.

CONCLUSION

Given that Alltech Transport Ltd. submitted the best proposal which complied with the City's requirements, and they have suitable equipment to meet the City's demands, staff recommends that the award be made to Alltech Transport Ltd and that a contract for towing services be issued for a five (5) year period commencing June 30, 2009.

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