



ADMINISTRATIVE REPORT

Report Date: May 19, 2009
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Meeting Date: June 16, 2009

TO: Vancouver City Council

FROM: General Manager of Engineering Services
Manager of Supply Management

SUBJECT: Award of Tender PS09030 - The Supply and Delivery of One (1) Roadline
Marker Truck and Body

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 Supply Management to award a contract to the lowest bid which provides the best value to the City from Linetech Design & Manufacturing Ltd. for one (1) 2009 Linetech HA360 body, and single axle cab and chassis at a total cost of \$387,398 (\$383,198, plus \$4,200 for a camera guidance system), 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 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.

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.

PURPOSE

The purpose of this report is to request Council approval to enter into a contract with Linetech Design & Manufacturing Ltd. to purchase a roadline marker truck that is part of the 2009 Truck and Equipment Replacement Program.

BACKGROUND

The roadline marker truck is used by the Traffic and Electrical Operations Branch (TEOB) to apply and maintain all traffic lines within the City. The main arterials are painted twice a year and all other lines are retraced once a year.

The installation and maintenance of pavement marking is necessary as the delineation of road markings, in conformance to Ministry of Transportation, Transport Association of Canada, and Motor Vehicle Act guidelines and specifications, safely guides motorists and cyclist and prevents accidents.

DISCUSSION

Invitation to Tender No. PS09030 was issued on February 17, 2009. The Invitation to Tender requested pricing for one (1) roadline marker truck. In addition to notifying incumbent suppliers to the City and other well known vendors, the tender was advertised in the Journal of Commerce and on the City's and BC Purchasing Commission's public websites.

Tenders for the above were opened on March 21, 2009 and referred to the General Manager of Engineering Services and the Manager of Supply Management for evaluation and report.

The 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 the report.

Three (3) bids were received from two (2) vendors, with pricing ranging between \$383,198 and \$453,999. Bid 1 from Linetech Design & Manufacturing Ltd. for \$383,198 meets requirements and is therefore the recommended bid.

FINANCIAL IMPLICATIONS

The roadline marker truck was approved to be replaced as part of the 2009 Truck and Equipment Replacement Program. Funds for the purchase of the unit totalling \$387,398 (\$383,198, plus \$4,200 for a camera guidance system), plus applicable taxes (less any municipal rebate received) and the Provincial Environmental Levy, will be provided from the Truck and Equipment Plant Account.

There is an expected increase of approximately \$48,700 in operating costs in 2010. These costs will be recovered by TEOB through chargebacks to department capital and operating budgets based on the vehicle's usage.

ENVIRONMENTAL IMPLICATIONS

The replacement unit will meet current EPA emissions standards, for heavy-duty diesel engines and therefore emit significantly less tail pipe emissions than the existing unit. The new truck will also use a minimum B5 blend of bio-diesel, which will also contribute to further green house gas emission reductions. The cab and chassis selected is the most fuel efficient of the three (3) bids submitted and is sized to carry the necessary equipment and materials to perform line painting operations.

In addition, the new truck will have a reduced operating pressure for painting when compared to the existing truck that will result in less overspray of low volatile organic compound road marking paint, as well as reducing the chance of environmental damage due to paint line leaks.

CONCLUSION

Accordingly, we recommend acceptance of low bid meeting specifications and offering best value from Linetech Design & Manufacturing Ltd. for one (1) 2009 Linetech HA360 body, and single axle cab and chassis at a total cost of \$387,398 (\$383,198, plus \$4,200 for a camera guidance system).

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