



ADMINISTRATIVE REPORT

Report Date: September 3, 2019
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RTS No.: 13376
VanRIMS No.: 08-2000-20
Meeting Date: October 2, 2019

TO: Standing Committee on City Finance and Services
FROM: General Manager of Engineering Services and Chief Procurement Officer
SUBJECT: Contract Award for Towing Services

RECOMMENDATION

- A. THAT Council authorize City staff to negotiate to the satisfaction of the City's General Manager of Engineering, City's Director of Legal Services, and the City's Chief Procurement Officer and enter into a contract with All Tech Transport Ltd. dba Busters Towing, for towing services, for a term of seven (7) years, with the option to extend for three (3) additional one (1) year) terms. This contract consists of two transactions; (1) City expenses for services rendered; estimated contract value of \$6,615,000; and (2) City revenue collected from All Tech Transport Ltd. dba Busters for the use (lease) of City properties associated with providing towing services at an estimated contract value of \$5,082,000 for an estimated net contract value of \$1,533,000. Funding will be provided through the operating budget of the respective City departments requesting for towing services.
- B. THAT the Director of Legal Services, Chief Procurement Officer and General Manager of Engineering be authorized to execute on behalf of the City the contract contemplated by Recommendation A.
- C. THAT no legal rights or obligations will be created by Council's adoption of Recommendations A and B above unless and until such contract is executed by the authorized signatories of the City as set out in these recommendations.

REPORT SUMMARY

The City issued a RFP PS20161091 on December 20, 2017 for towing services. The RFP was advertised on the City of Vancouver website and BC Bid and the work was called in accordance with the terms and condition of the City's Procurement Policy

ADMIN-008. City staff on the RFP evaluation committee and, subsequently, Bid Committee have considered the responses received, and, on that basis, recommend that the City negotiate, and if such negotiations are successful, enter into a contract as described above with All Tech Transport Ltd. dba Busters Towing.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The City's Procurement Policy ADMIN-008 requires contracts with gross cost or revenue values over \$2 million be approved by Council following review and recommendation by the Bid Committee. This contract has both gross costs and revenues that exceed \$2 million. The Bid Committee has reviewed staffs findings and recommends All Tech Transport Ltd. dba Busters Towing as the successful proponent.

There is no applicable Council Authority or previous decisions relevant to this report.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

REPORT

Background/Context

The City requires the provision of efficient and cost-effective towing services for the removal and relocation of vehicles at the request of City staff, Police Members, Parking Enforcement Officers, and Engineering Staff Members within a reasonable time to specific storage places and other places within the City and occasionally outside of the City, as directed from time to time, and the towing of and the disposal of abandoned vehicles and scrap vehicles. The City requires towing and other associated services in each of the following circumstances;

- a) Pick-up and towing of vehicles from the scene of a motor vehicle accident where the owner or operator of a vehicle does not specify a towing contractor or is unable or unwilling to do so and where a Police Member calls the towing contractor;
- b) Pick-up and towing of bylaw impounded vehicles;
- c) Pick-up and towing of abandoned vehicles, including the disposal thereof, when applicable;
- d) Pick-up, towing, ditch recovery and extrication of City and Police vehicles and, when requested and when not otherwise handled by City employees, emergency roadside service calls for City and Police vehicles;
- e) Pick-up and towing of City owned non-motorized equipment such as work/construction trailers, containers, and generators;
- f) Pick-up and towing all vehicles required for Police investigations within the City limits or from other areas as directed by the Police; and
- g) Pick-up and towing of non-City owned vehicles requiring relocation.

The purpose of the RFP was to identify suppliers with demonstrated capability to meet the City's estimated demand over the term of the contract at competitive pricing and satisfactory service requirements.

Strategic Analysis

The RFP was issued in the accordance with City's Procurement Policy ADMIN-008. The City received responses from All Tech Transport Ltd. dba Busters Towing, Jim's Towing Ltd. dba Advance Towing and Unitow Services Ltd. The responses were evaluated through the work of an evaluation team comprised of representatives from Parking Enforcement, Equipment Services, Finance and Vancouver Police Department under the stewardship of Supply Chain Management to ascertain if the responses offered good overall value to the City, both quantitative and qualitative factors were evaluated. Evaluation criteria considered in the overall evaluation process included:

Technical Evaluation Criteria:

- Industry Experience: ability to provide expertise and knowledge as it pertains to towing services
- Assurance and Variety of Supply: ability to dedicate the volume and type of tow trucks to meet requirements
- Competitive Pricing: ability to provide and maintain market competitive rates for services and for use of City properties
- Performance Management: ability to manage and measure performance of the City account with minimal administration
- Technology: ability to provide innovative technology; including dispatching, ticketing and invoicing, trip optimization (i.e. GPS)
- Compliance with environmental and safety policies and regulations, composition of fleet and future plans to increase the number of low or zero emissions tow trucks

Financial Evaluation Criteria:

- The financial evaluation was based on a comparative analysis that used the City's average annual towing volumes as a baseline for the comparative analysis. The financial evaluation also included an evaluation of the Proponents financial income statements to determine their ability to adhere to the financial terms of their submission and the ability to invest in new and innovative technology.

Sustainable, Ethical and Environmental Evaluation Criteria

- Compliance and completeness with regards to Corporate Sustainability Leadership Questionnaire
- Compliance with Code of Conduct
- Compliance with Living Wage
- Social and environmental impacts

Based on the overall evaluation, the team concluded that the proposal submitted by All Tech Transport Ltd. dba Busters Towing, best met the City's requirements and provided best overall value to the City.

Financial

Finance reviewed and confirmed that funding is available from the operating budgets of the respective City departments requesting towing services. As a result of the RFP, based on historical usage the City is forecasting a savings of approximately \$2.67 million over the initial seven (7) year term.

Sustainable / Ethical / Environmental

All Tech Transport Ltd. dba Busters Towing has demonstrated compliance with the City's Supplier Code of Conduct, has satisfied the Corporate Sustainability Leadership Questionnaire and is a Living Wage employer. In addition, EQS reviewed All Tech Transport Ltd. dba Busters Towing Busters to evaluate the sustainability and environmental impact of its operations:

Based on this, All Tech Transport Ltd. dba Busters Towing demonstrated the following:

- Adopted the City's anti-idling policy and has idle timers set to 3 minutes;
- Implemented a fleet-wide GPS system;
- Good understanding of the local market for renewable fuels and has expressed interest in pursuing options where available; and
- Demonstrated their ability to comply with all safety and environmental policies and regulations.

Legal

The City's Procurement Policy requires that all contracts that have been awarded by Bid Committee and Council will be signed by the Director of Legal Services.

CONCLUSION

In summary, City staff recommends that the City of Vancouver negotiate and enter into a seven (7) year contract, with the option to extend the contract for an additional three (3) one(1) year terms, with All Tech Transport Ltd. dba Busters Towing, for towing services.

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