



REPORT

Report Date: December 21, 2020
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VanRIMS No.: 08-2000-20
Meeting Date: January 20, 2021
[Submit comments to Council](#)

TO: Standing Committee on City Finance and Services

FROM: General Manager of Engineering Services and Chief Procurement Officer

SUBJECT: Contract Award for General Excavated Materials Sorting, Loading and Hauling

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 P. Sekhon Trucking Ltd. for general excavated materials sorting, loading and hauling for a term of three (3) years, with the option to extend for two (2) additional one (1) year terms, with an estimated contract value of \$4,664,790 plus applicable taxes over the initial 3-year term, to be funded through the annual operating budget for Engineering Services Kent Yard operation.
- 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 above.
- 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 Request for Proposal (RFP) PS20200011 on May 8, 2020 for General Excavated Materials Sorting, Loading and Hauling. The RFP was advertised on 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 describe above with P. Sekhon Trucking Ltd.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The City’s Procurement Policy ADMIN-008 requires that contracts with values over \$2 million must be approved by Council following review and recommendations by the Bid Committee. The Bid Committee has considered and recommended P. Sekhon Trucking Ltd. as the successful proponent.

REPORT

Background/Context

The City’s Department of Engineering Kent Materials Branch requires general excavated materials sorting, loading and hauling.

The City produces approximately 300,000 tonnes of excavated materials/soils (“Excavated Material”) from sewer and waterworks trenches and street excavations per year. Excavated Material consistency can be granular to silty and may contain rocks, boulders, tree stumps and roots, as well as asphalt and concrete pieces of various sizes.

Excavated Material is hauled to the City’s Kent Yard facility from various City construction and maintenance projects, where it is sorted (processed) into various subcomponent stockpiles to facilitate reuse and recycling of the component parts. Clean loads of Excavated Materials are transported daily to the Vancouver Landfill.

Annually the City generates excavated slab material which consists of concrete and asphalt from curbs, roadways and sidewalks. This material is crushed by a separate contractor into prescribed sizes. Upon request, some of this crushed recycled material is to be loaded and hauled to the Vancouver Landfill for use. The sorting, loading, and hauling of excavated slab material to the landfill is within the scope of the RFP.

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 the following proponents:

Responses Received:	Fairway Recycle Group Inc.
	Jacob Brothers Construction Inc.
	Mainland Demo Contracting Ltd.
	Regehr Contracting Ltd.
	S&S Sand & Gravel Transportation Ltd,
	P. Sekhon Trucking Ltd. (Sekhon)
	RTR Terra Contracting Ltd.
	Utility West Civil Works

The responses were evaluated through the work of an evaluation team comprised of representatives from Engineering Services - Kent Materials Branch 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.

Some of the criteria considered in the overall evaluation process included:

- Ability to satisfy service requirements, ability to process required material specifications and ability to meet operational, safety and logistical requirements;
- Ability to satisfy customer service requirements, such as; meeting service level agreements; providing dedicated account management and providing robust reporting; and
- Ability to provide environmental leadership including mitigating various emissions while maximizing production streams and product offerings, and understanding or verifying a high operational production process, up to and including a defined environmental management system.

Based on the overall evaluation, the team concluded that the proposal submitted by P. Sekhon Trucking Ltd., best met the City's requirements and provided best overall value to the City.

Sustainability

Sekhon has demonstrated responsible practices throughout its organization to minimize the environmental impact including compliance with the City's Supplier Code of Conduct.

Sekhon has a company policy to reduce fuel consumption by:

- No idling and turn off equipment to reduce fuel consumption;
- Using B10 Bio-Diesel which is 10% biofuel in order to reduce air pollution; and
- Fueling station at storage lot in Vancouver, reducing consumption and traffic congestion.

Financial Implications

Finance has reviewed and confirmed that funding is available through the annual operating budget for Engineering Services Kent Yard operation. As a result of the RFP, the City is able to achieve cost certainty for the proposed three (3) year contract term.

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 three (3) year contract, with the option to extend the contract for an additional two (2) one (1) year terms, with P. Sekhon Trucking Ltd. for General Excavated Materials Sorting, Loading and Hauling.

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