



REPORT

Report Date: January 13, 2021
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RTS No.: 14204
VanRIMS No.: 08-2000-20
Meeting Date: February 10, 2021

TO: Standing Committee on Policy and Strategic Priorities
FROM: General Manager of Engineering Services and Chief Procurement Officer
SUBJECT: Contract Award for Supply and Delivery of Truck Body Aerial Lifts

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 Altec Industries Limited for supply and delivery of truck body aerial lifts for a term of five (5) years, with the option to extend for two (2) additional one (1) year terms, with an estimated contract value of \$3,582,900, plus applicable taxes over the initial two (2) years of the contract; to be funded through budget available from the current 2019-2022 Capital Plan; the contract value for the remaining three (3) years will be dependent on the next capital plan funding approval process.
- 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 Request for Proposal (RFP) PS20200086 on June 12, 2020 for the Supply and Delivery of Various Truck Body Equipment. 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 Altec Industries Limited.

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 Altec Industries Limited as the successful proponent to award a contract for Truck Body Aerial Lifts.

REPORT

Background/Context

The City's Department of Engineering Services requires a variety of vehicle truck body equipment (TBE) including but not limited to Class 4 to Class 8 dump bodies, cube vans, step vans, cranes, flat decks, and aerial lifts while meeting the City's operational and budgetary requirements.

Truck bodies are options and configurations that are purchased separately from the truck cab and chassis in order to meet the vehicle operational requirements for specific trades work. The truck body is typically mounted on top of the rear wheels of a truck chassis. This report is considering the award for various truck body aerial lifts including 34 Foot Aerials with Service Bodies and 60 Foot Aerials with Chip Box Bodies. Aerial lift truck bodies are used to lift personnel and their tools to great heights to perform public works. The 34 Foot Aerials with Service Bodies are generally used by the City's Traffic and Electrical group for traffic and street lights repairs, while the 60 Foot Aerials with Chip Box Bodies are used by the Park Board Urban Forestry group for tree trimming and removal.

Engineering currently has one (1) contract for truck body aerial lifts that has been in effect since January 2016. The current contract expired at the end of 2020 after being in effect for five (5) years. Calco Equipment Ltd was previously awarded the contract for all aerial equipment.

The Fleet Strategy and Asset Management (FSAM) team utilizes the current contract to complete projects for multiple departments across the City of Vancouver (City). The future state of this contract will allow the FSAM team to purchase a variety of vehicles for several City departments.

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	Altec Industries
	Calco Equipment BC
	Commercial Truck Body Equipment

The responses were evaluated through the work of an evaluation team comprised of representatives from Engineering Services - Fleet Strategy and Asset Management (FSAM) 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.

The Financial evaluation was based on a comparative analysis of the lifecycle costs for each body type; including the proponent's capital cost for the body, overhead, and labour costs.

The Technical and Sustainability requirement score included both technical specifications as well as open-ended responses to a series of questions. The technical requirements include operating and performance details for the specified equipment as well as details on warranty, in-service support, and training. The open-ended questions covered topics including previous vendor experience and project/client management.

Truck Body Aerial Lifts were separated from the remaining truck body equipment during the evaluation phase to facilitate a competitive review process.

Based on the overall evaluation, the team concluded that the proposal submitted by Altec Industries Limited, best met the City's requirements and provided best overall value to the City for Truck Body Aerial Lifts.

Sustainability

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

To align with the City's Climate Emergency Action Plan, Altec will work with a variety of chassis manufacturers to install truck body aerial lifts onto alternate powered chassis. The recommended supplier has an engineering department that is willing to work with the City to produce sustainable environmentally conscious designs. In the years that follow the contract award, it is likely that there will be new environment friendly technology available, and the City plans to work with Altec to implement new technology provided it meets the project needs.

This agreement will help achieve the goals outlined in the Green Operations Plan as part of the Climate Emergency Action Plan specifically through the following two contributions of the selected vendor:

- Integration of electric power take-offs (ePTO's) which will allow for idle free operation of the equipment, a reduction of Greenhouse Gas (GHG) emissions, and a reduction in noise pollution.
- Working with a vendor (Altec) that has experience working with electric vehicle chassis suppliers to produce fully electric solutions.

Financial Implications

Finance has reviewed the cost of the goods and/or service and concurs that funding for this expenditure is provided for in the current 2019-2022 Capital Plan. Council has provided budget approval for expenditures planned in 2021; expenditures for future years, while planned, will necessarily be subject to Council approval of future capital budgets.

As a result of the RFP, the City will have the benefit of cost certainty for the proposed five-year term of the contract.

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 five (5) year contract, with the option to extend the contract for an additional two (2) one (1) year terms, with Altec Industries Limited for Supply and Delivery of Truck Body Aerial Lifts.

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