



## REPORT

Report Date: June 24, 2022  
Contact: Alexander Ralph  
Contact No.: 604.829.2092  
RTS No.: 15243  
VanRIMS No.: 08-2000-20  
Meeting Date: July 20, 2022

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TO: Standing Committee on Policy and Strategic Priorities  
FROM: General Manager of Engineering Services and Chief Procurement Officer  
SUBJECT: Contract Award for Asphalt Milling Services

### **RECOMMENDATION**

- A. THAT Council authorize City staff to negotiate to the satisfaction of the City's General Manager of Engineering Services, City's Director of Legal Services, and the City's Chief Procurement Officer and enter into three separate contracts with the following contractors:
- Eurovia (B.A. Blacktop) as Contractor A (primary contractor) to provide two meter grinders for asphalt milling services;
  - Lafarge Canada as Contractor A (primary contractor) to provide one meter grinders for asphalt milling services; and
  - Tarmac Grinding as Contractor B (secondary contractor) to provide one meter grinders and as Contractor B (secondary contractor) to provide two meter grinders for asphalt milling services;

The contracts with the above vendors will be for a term of three years, with the option to extend for six additional one year terms, with an estimated combined contract value of \$2,410,119 plus applicable taxes over the initial three-year term, to be funded through 2022-2025 Engineering Operating and Capital Approved Budgets;

- B. FURTHER THAT the Director of Legal Services, Chief Procurement Officer and General Manager of Engineering Services be authorized to execute on behalf of the City the contracts contemplated by Recommendation A; and,

- C. THAT no legal rights or obligations will be created by Council's adoption of Recommendations A and B above unless and until such contracts are executed by the authorized signatories of the City as set out in these Recommendations.

### ***REPORT SUMMARY***

The City issued an RFP PS20210407 on December 15, 2021 for Asphalt Milling Services. 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 contracts as describe above with Eurovia (B.A. Blacktop), Lafarge Canada, and Tarmac Grinding.

### ***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 Eurovia (B.A. Blacktop), Lafarge Canada and Tarmac Grinding as the successful proponents.

### ***CITY MANAGER'S/GENERAL MANAGER'S COMMENTS***

The City Manager recommends approval of the foregoing.

### ***REPORT***

#### ***Background/Context***

The City's Department of Engineering Services - Streets Operations Branch (Streets) has an on-going operational need for asphalt milling services. Asphalt milling is the process by which pavement is mechanically removed by rotating drums in grinder machines in order to eliminate the deficiencies in the surface prior to paving. Streets requires two meter and one meter grinders with operator; mobilization; and sweeping services on an as, if, and when needed basis.

The purpose of the RFP was to identify contractors who could meet the City's demand and service requirements at competitive pricing during the term of the contract.

#### ***Strategic Analysis***

The RFP was issued in the accordance with City's Procurement Policy ADMIN-008. The City received responses from Eurovia (B.A. Blacktop), Lafarge Canada, Tarmac Grinding, All Roads Construction Ltd. and Jack Crewe Construction Ltd. The responses were evaluated through the work of an evaluation team comprised of representatives from Engineering Services (Streets Operations) 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:

- Qualifications: including organizational profile, business and technical reputation and experience with major projects, personnel skill and knowledge relevant to City's requirements;
- Capabilities: including breadth of personnel and equipment, work plan to respond to City's requirements, and record of fill rates, past performance and customer satisfaction metrics;
- Safety compliance: including organization safety programs, safe work procedures and traffic control plans, record of WorkSafeBC claims and incident, and safety training programs;
- Sustainability: including energy efficiency and emissions of equipment, and ethical, social and environmental standards; and
- Financial offering, including competitive pricing.

Based on the overall evaluation, the team concluded that the proposals submitted by Eurovia (B.A. Blacktop), Lafarge Canada, and Tarmac Grinding, best met the City's requirements and provided best overall value to the City.

### ***Financial***

Finance has reviewed and confirmed that funding is available from Engineering Operating and Capital Approved Budgets if and when needed. As a result of the RFP, the City is able to achieve cost certainty for the proposed three year (3) term.

There are no financial implications.

### ***Environmental***

Eurovia (B.A. Blacktop), Lafarge Canada and Tarmac Grinding have demonstrated compliance with the City's Supplier Code of Conduct, and have satisfied the Supplier and Workplace Diversity and Environmental Sustainability Questionnaires.

### ***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 three (3) year contracts, with the option to extend the contracts for an additional six (6) one-year terms, with Eurovia (B.A. Blacktop), Lafarge Canada and Tarmac Grinding, for Asphalt Milling Services.

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