



COUNCIL REPORT

Report Date: December 19, 2022
Contact: Alexander Ralph
Contact No.: 604-829-2092
RTS No.: 15381
VanRIMS No.: 08-2000-20
Meeting Date: January 18, 2023
[Submit comments to Council](#)

TO: Standing Committee on Policy and Strategic Priorities
FROM: General Manager of Engineering Services and Chief Procurement Officer
SUBJECT: Contract Award for the Supply and Delivery of Large Fire Apparatus

Recommendations

- A. THAT Council authorize City staff to negotiate to the satisfaction of the General Manager of Engineering Services, Director of Legal Services, and the Chief Procurement Officer and enter into a contract with Safetek Emergency Vehicles Ltd., for the supply and delivery of Large Fire Apparatus, for a term of five (5) years, with the option to extend for four (4) additional one (1) year terms, with an estimated contract value of \$26,619,507.57 plus applicable taxes over the initial five-year term for approximately 14 Large Fire Apparatus in total. An initial purchase of three (3) Large Fire Apparatus valued at approximately \$5,704,180.19 is to be funded through the approved multi-year budget for Fleet Replacement, funded from the Plant Account reserve.
- B. 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 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.

Purpose and Executive Summary

The City issued Request for Proposal (RFP) PS20220058 on March 25, 2022 for the Supply and Delivery of Large Fire Apparatus. Subject to Council's approval of the award and successful negotiation of a contract, the City plans to proceed with an initial purchase of three large fire apparatus to replace units in the current Vancouver Fire & Rescue Services fleet that are at the end of service life. Additional apparatus purchases are contemplated over the term, up to fourteen vehicles over the initial five-year.

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 describe above with Safetek Emergency Vehicles 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 Safetek Emergency Vehicles Ltd. as the successful proponent.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

The RFP's objective was for the City to seek proponent(s) who are able to provide specialized fire apparatus fleet equipment for the purposes of providing emergency fire, medical and rescue response services.

Fire apparatus are multipurpose vehicles that will be stationed at various fire halls throughout the City. The new apparatus will be primarily used for attending fire suppression, medical first response, and rescue calls. The new units will replace units that have exceeded their intended life cycle in order to ensure reliable and efficient emergency response.

The RFP requested vendors to include electric fire apparatus proposals. All of the proposed electric fire apparatus were not considered as an option as they did not meet the minimum specifications for fire operations (pumping capacity). Additionally, the total cost of ownership business case for the electric options were not favorable due to the significant higher costs of the proposed units. Further, the electric fire apparatus technology is nascent and unproven which represents risk considering that the equipment's purpose is life-safety and needs to be able to be relied upon during an emergency.

The recommended new fire apparatus will use renewable diesel (R100), a low carbon fuel to reduce the carbon footprint.

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 three vendors:

- Safetek Emergency Vehicles Ltd.
- Commercial Truck Equipment Co. DBA: Commercial Emergency Equipment

- Rocky Mountain Phoenix

The responses were evaluated on quantitative and qualitative factors by a team comprised of representatives from Engineering Services Department and Vancouver Fire Rescue Services (VFRS), under the stewardship of Supply Chain Management to ascertain if the responses offered good overall value to the City.

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

- Technical Aspects of the Vehicles
- Financial Offering
- Proponent's Abilities and Service Provision
- Risk Management
- Sustainability

VFRS already uses this equipment, so awareness of this technology already exists and there are multiple benefits in fleet standardization. Nevertheless, the contract will include services such as training sessions for the City mechanics and operators to become familiar any difference between the new and the existing equipment.

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

Financial Implications

Finance has reviewed and confirmed that funding is available from the multi-year budget in the 2019-2022 Fleet Replacement Budget (CEQ-00034), funded from the Plant Account reserve for the initial purchase of three (3) Large Fire Apparatus.

FP&A indicates that the cost escalations in this market, current and forecasted, is causing additional unfunded budget pressure, and it is anticipated that the plant account will need additional funding in the future, in order to provide for replacement of all future units planned in the 2023-2026 timeframe. Additional operating budget impact will be included in the rental rate projection for VFRS as part of the budget outlook process.

The Large Fire Apparatus equipment will be purchased in US currency. The final Canadian dollar price for each order may change with fluctuations of the US dollar over the term of the contract.

Legal Implications

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.

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