



COUNCIL REPORT

Report Date: February 13, 2024
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Meeting Date: March 13, 2024
[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 Supply and Delivery of Aerial Fire Apparatus

Recommendations

- 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 a contract with Commercial Truck Equipment Corp. DBA Commercial Emergency Equipment, for Supply and Delivery of Aerial Fire Apparatuses (ie., Aerial Fire Trucks and Related Equipment), for a term of five (5) years, with the option to extend for two (2) additional two-year terms years, with an estimated contract value of \$6,716,871.93 USD, plus applicable taxes over the initial five-year term, including immediate placement of an order for three (3) aerial fire apparatus. The purchase 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 a Request for Proposal, PS20230593-ENG-RFP, on November 22, 2023 for Supply and Delivery of Aerial Fire Apparatus. Subject to Council's approval of the award and successful negotiation of a contract, the City plans to proceed with the purchase of three aerial fire apparatus to replace units in the current Vancouver Fire Rescue Services (VFRS) fleet that are at the end of service life.

The RFP was advertised publicly 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 Commercial Truck Equipment Corp. DBA Commercial Emergency Equipment.

Council Authority/Previous Decisions

The City's Procurement Policy ADMIN-008 requires that contracts with values over \$3 million must be approved by Council following review and recommendations by the Bid Committee. The Bid Committee has considered and recommended Commercial Truck Equipment Corp. DBA Commercial Emergency Equipment as the successful proponent.

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

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

The City's Department of Engineering Services, on behalf of Vancouver Fire Rescue Services (VFRS), requires specialized fire apparatus fleet equipment for the purposes of providing emergency fire, medical and rescue response services.

Aerial 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 high-rise 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 recommended new fire apparatus will use renewable diesel (R100), a low carbon fuel to reduce the carbon footprint. There are currently no suitable electric aerial fire apparatus available.

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.

Discussion

The RFP was issued in the accordance with City's Procurement Policy ADMIN-008. The City received responses from the following two vendors for PS20230593-ENG-RFP:

- Commercial Truck Equipment Corp.
- Safetek Emergency Vehicles Ltd.

The responses were evaluated, using both quantitative and qualitative factors, through the work of an evaluation team comprised of representatives from Engineering Services and 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
- Delivery timeline
- Proponent’s Abilities and Service Provision
- Risk Management
- Sustainability

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

Based on the overall evaluation, the team concluded that the proposal submitted by Commercial Truck Equipment Corp, best met the City’s requirements and provided best overall value to the City.

Financial Implications

Financial Planning and Analysis (FP&A) has reviewed and confirmed that funding is available from the Multi-year Approved Budget in the capital program for 2023-2026 Renewal of Vehicles & Equipment - Vancouver Fire & Rescue Services, funded from the Fleet and Equipment Plant Account reserve for the purchase of three (3) Aerial Fire Apparatus.

FP&A indicates that cost escalation in this market, current and forecasted, is causing additional unfunded budget pressure, and it is anticipated that the fleet and equipment plant account will need additional funding in the future. Additional operating budget impact will be included in the equipment rental projection for VFRS as part of the budget outlook process.

Pre-payment in full at the time the purchase order is issued will result in a discount of \$611,949.45 USD and the equipment to outfit the three (3) Aerial Fire Apparatus will be purchased separately. 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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