



COUNCIL REPORT

Report Date: August 18, 2025
Contact: Alexander Ralph
Contact No.: 604.829.2092
RTS No.: 18074
VanRIMS No.: 08-2000-20
Meeting Date: September 17, 2025
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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, Concrete, Soils, and Rock Crushing Services

Recommendations

THAT Council authorize City staff to negotiate an agreement for Asphalt, Concrete, Soils, and Rock Crushing Services with Regehr Contracting Ltd. for an estimated total contract value of \$3,631,258 over the initial three-year term, with the City's option to extend for three additional two-year terms for a maximum potential total term of nine years (the "Agreement") with an estimated total contract value for the entire potential term of \$12,445,530, which will be funded from Engineering Services' operating budget for Kent Yard, operating budget for Landfill and capital budget for Landfill Closure;

FURTHER THAT Council delegate its authority to execute the Agreement to the City's Director of Legal Services, Chief Procurement Officer, and General Manager of Engineering Services;

AND FURTHER THAT no legal rights or obligations will be created by Council's approval of the above Recommendation unless and until the City executes and delivers the Agreement.

Purpose and Executive Summary

Engineering Services requires a qualified contractor on an as needed basis to provide asphalt, concrete, soils, and rock crushing services for the Kent Yards and the Vancouver Landfill. Material is crushed and processed to a specified size to meet the City's various operational requirements for street road construction and fill material. Annual crushing volumes vary from year to year, dependent on inbound recyclable material received from street maintenance operations.

The City issued a Request for Proposal PS20240991-ENG-RFP on April 7, 2025 for Asphalt, Concrete, Soils, and Rock Crushing Services. The City advertised the RFP on the City of Vancouver website and BC Bid in accordance with the City's Procurement Policy (ADMIN-008).

City staff on the RFP evaluation committee and the Bid Committee have considered the responses received and recommended that the City negotiate an agreement with Regehr Contracting Ltd.

Council Authority/Previous Decisions

The City's Procurement Policy (ADMIN-008) requires Council approve contracts with a total value greater \$3,000,000 following review and recommendations by the City's Bid Committee. The Bid Committee has considered the bids and recommends Regehr Contracting Ltd. as the successful proponent.

There is no applicable Council authority or previous decisions related 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 requires professional services of a qualified contractor to provide asphalt, concrete, soils, and rock crushing services for the Kent Materials Branch and the Vancouver Landfill. The services encompass the contractor using a loader or excavator to move stored material from an existing pile to an impact crusher where it is crushed and processed to a specified size and then transported to a storage area in the yard as directed by the City. Crushed products are used to meet the City's various operational requirements, such as road construction and fill material.

Annual crushing volumes vary from year to year, dependent on inbound recyclable material. This service is based on an as needed basis and is not a continual production requirement.

The operation directly supports the City's long-term sustainability goals while also generating economies of scale and budget savings compared to purchasing and transporting new aggregates, by maximizing reuse, minimizing the use of new products, and reducing GHG emissions through less transportation.

The purpose of the RFP was to identify a supplier with the capability to meet the City's requirements for asphalt, concrete, soils, and rock crushing services while offering a competitive price and satisfactory service. The City will enter into a Supply Agreement with the successful proponent to deliver the services during the contract term.

Discussion

The RFP was issued in accordance with the City's Procurement Policy (ADMIN-008). The City received four (4) responses from: Division 2 Environmental Ltd., Fairway Recycle Group Inc., Poschner Construction (88) Ltd. and Regehr Contracting Ltd. The responses were evaluated, using both quantitative and qualitative factors, by an evaluation team comprised of representatives from Engineering Services, under the stewardship of Supply Chain Management, to assess each response's overall value.

The criteria considered in the overall evaluation process included:

- ability to meet the RFP requirements
- skills, knowledge, capabilities, and previous experience(s)
- compliance with the work scope requirements and health and safety regulations
- safety culture
- financial offering
- demonstrated ability to adhere to the City's values with regards to sustainability

The evaluation team concluded that the proposal submitted by Regehr Contracting Ltd. met the City's requirements and provided the best overall value to the City.

Financial Implications

Finance has reviewed and confirmed that funding is available from operating budget for Kent Yard and Vancouver Landfill and Approved Multiyear Capital Project Budget for Landfill Closure. As a result of the RFP, the City is able to achieve cost certainty for the proposed initial three-year contract term. Potential future extensions of the contract will be on an if and when needed basis depending on available approved budget.

Legal Implications

The City's Procurement Policy (ADMIN-008) requires the Director of Legal Services to execute all contracts with a total value greater than \$3,000,000 that have been awarded by the Bid Committee and Council.

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