



City of Richmond

Report to Committee

To: Public Works and Transportation Committee

Date: August 27, 2009

From: Suzanne Bycraft
Manager, Fleet & Environmental Programs

File: 10-6000-01/2009-Vol
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Re: Award of Contract 3564P - Purchase of Two Hydro Excavation Trucks

Staff Recommendation

That Contract 3564P, for the Supply and Delivery of Two Tandem Axle 12 Yard Positive Displacement Combination Catch Basin Sewer Cleaner Hydro Excavation Trucks, be awarded to Vimar Equipment Ltd. at a total cost of \$834,822.00, plus applicable taxes and levies.

Suzanne Bycraft
Manager, Fleet & Environmental Programs
(604-233-3338)

FOR ORIGINATING DEPARTMENT USE ONLY			
ROUTED TO:		CONCURRENCE	CONCURRENCE OF GENERAL MANAGER
Budgets		Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	
REVIEWED BY TAG	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	REVIEWED BY CAO
			YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>

Staff Report

Origin

The purpose of this report is to seek Council approval to award Contract 3564P for the purchase of two combination catch basin sewer cleaner hydro excavation trucks. In accordance with Procurement Policy 3104, Council approval is required to award contracts which exceed \$500,000 in value.

Analysis

Background

Hydro excavation equipment is used to remove fill and other materials as part of maintenance and construction work. A combination flush and vacuum-style process is used. This process reduces the need to excavate with heavy equipment (backhoes, etc.), thereby minimizing potential for damage to underground utilities. The process is also safer and quicker. Hydro excavators are used to flush, clean and remove blockages from mainlines, inspection chambers, culverts, manholes, ditches and catch basins. They are used in construction projects to excavate for new installations, repairs, replacements (service connections, fire hydrants, valves, meter boxes, lamp standards, etc.)

Of the two units being acquired, one is a replacement for existing unit 915, which is being retired due to age, wear, etc. This replacement is being undertaken as part of our annual fleet replacement plan. The second is an additional unit which was approved as part of the 2008 capital plan to reduce costs associated with hiring this equipment on a contract basis.

Public Tendering

A request for proposals was issued with the following responses:

Vendor	Total Cost (including Options) (Plus Levies and Taxes)
Vimar Equipment Ltd	\$834,822.00
Kendrick Equipment	\$835,964.00

Proposal Evaluation

Due to the specialized nature of this equipment, bidding proponents were advised that in addition to price, equipment servicing and quality, overall best value would be used to arrive at the staff recommendation. With best value in mind, proponents (including both Vimar Equipment Ltd. and Kendrick Equipment) were invited to present their equipment to user departments prior to submitting bids, given the specialized nature.

The proposal submitted by Vimar Equipment represents the best value to the City and, as such, is recommended for award. Their company provides a local maintenance facility for parts, repairs,

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product and technical support, and a warranty center. Vimar has provided high quality products and reliable services to the City in prior dealings.

Financial Impact

Funding for this purchase in the amount of \$913,050 is available in the 2008 and 2009 capital equipment replacement plan reserves (\$450,000 and \$463,050, respectively).

Conclusion

The City's Procurement Policy requires Council approval for contract awards over \$500,000. The tender being recommended for acceptance represents best value to the City. In order to maintain required delivery dates to meet operational requirements, a Letter of Intent was issued on August 6, 2009 to Vimar. Council approval is recommended in order to finalize the purchase arrangements.


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