



# City of Richmond

## Report to Committee

**To:** Public Works and Transportation Committee **Date:** July 4, 2025  
**From:** Suzanne Bycraft **File:** 10-6000-01/2025-Vol  
Director, Public Works Operations 01  
**Re:** **Award of Contract 8438P – Provision of Hydrovac Services**

### Staff Recommendations

1. That Contract 8438P – Provision of Hydrovac Services be awarded to McRae's Environmental Service Ltd., for a three-year term for an estimated contract value of \$9,286,266 exclusive of taxes, as described in the report titled "Award of Contract 8438P – Provision of Hydrovac Services", dated June 23, 2025 from the Director, Public Works Operations;
2. That the Chief Administrative Officer and the General Manager, Engineering and Public Works be authorized to execute the contract and related documentation with McRae's Environmental Service Ltd.; and
3. That the Chief Administrative Officer and the General Manager, Engineering and Public Works be authorized to extend the initial three-year term, up to the maximum total term of five years, for the maximum total amount of contract of \$15,711,201, excluding taxes.

Suzanne Bycraft  
Director, Public Works Operations  
(604-233-3338)

REPORT CONCURRENCE		
<b>ROUTED TO:</b>	<b>CONCURRENCE</b>	<b>CONCURRENCE OF GENERAL MANAGER</b>
Parks Services	<input checked="" type="checkbox"/>	
Finance Department	<input checked="" type="checkbox"/>	
Purchasing	<input checked="" type="checkbox"/>	
<b>SENIOR STAFF REPORT REVIEW</b>	<b>INITIALS:</b> 	<b>APPROVED BY CAO</b> 

## Staff Report

### Origin

Vacuum truck services are essential to support the City's operational, maintenance, and construction needs for underground infrastructure. The required services include, but are not limited to:

- Hydro excavation
- Flushing services
- Cleaning services
- Hydraulic root cutting
- Pumping services
- Stand-by services
- Emergency and disaster response support

Currently, these services are being delivered under an existing agreement with McRae's Environmental Services Ltd., awarded through a previous competitive process posted on BC Bid. As this contract is set to expire in July 2025, the City initiated a new procurement process to secure ongoing service provision.

This report supports Council's Strategic Plan 2022-2026 Focus Area #3 A Safe and Prepared Community:

*Community safety and preparedness through effective planning, strategic partnerships and proactive programs.*

*3.3 Ensure the community is collectively prepared for emergencies and potential disasters.*

*3.4 Ensure civic infrastructure, assets and resources are effectively maintained and continue to meet the needs of the community as it grows.*

### Analysis

#### Procurement Process

The City issued a Request for Proposal (RFP) 8438P – Provision of Hydrovac Services that was posted on BC Bid on April 22, 2025 and closed on May 20, 2025.

The scope of work described in the RFP included:

- Delivery of hydrovac services to various job sites, including but not limited to roads, utilities, parks and during emergency response situations. These services will be provided on an as-requested basis; and
- Providing all necessary personnel and operational resources to carry out the services effectively. This includes the provision of qualified staff, supervisors, specialized

vehicles, equipment, tools, safety provisions, and materials required to complete the work in accordance with City standards.

The RFP requested proponents submit financial proposals for the required services based on both historical and anticipated service usage with fixed pricing for the first year of the Contract along with escalation rates for succeeding terms. Proponents were advised that an Evaluation Committee would review and score submissions against predetermined criteria to determine the proposal that offered the best overall value to the City.

Eight proposals were received by the closing date from the following proponents:

- Ace Tank Services Inc.
- Badger Daylighting Limited Partnership
- Baza Ventures Inc.
- Dougness Holding Ltd.
- GFL Environmental Services Inc.
- Lonestar Vacuum Inc.
- McRae's Environmental Services Ltd
- Super Save Group of Companies

#### Review Process

The RFP submissions were evaluated by a cross-functional committee based on the pre-established criteria that included:

- Corporate profile and capacity
- Equipment and services availability
- Demonstrated experience and references
- Sustainability and circular economy
- Financial proposal

The evaluation results of the RFP are summarized in Table 1.

**Table 1 – Evaluation Results**

<b>Rank</b>	<b>Name of Proponent</b>	<b>RFP Score</b>	<b>Proponent Pricing Based on Estimated Service Hours per Annum</b>
1	McRae's Environmental Services	82.22	\$ 2,814,020
2	GFL Environmental Services Inc.	62.65	\$ 3,370,870
3	Super Save Group of Companies	59.60	\$ 3,335,200
4	Lonestar Vacuum Inc.	57.12	\$ 3,941,850
5	Ace Tank Services Inc.	52.98	\$ 3,392,350
6	Baza Ventures Inc.	43.66	\$ 3,607,750
7	Dougness Holdings Ltd.	41.88	\$ 4,578,050
8	Badger Daylighting Limited Partnership	No Score	\$ 2,033,300*

\* Denotes incomplete bid

Based on staff's evaluation of the proposals received, the proposal submitted by McRae's Environmental Services received the highest overall score and was therefore ranked first (shown in Table 1). McRae's Environmental Services submitted a complete and well-rounded proposal that met all of the City's service requirements, including hydraulic root cutting, flushing, pumping, and stand-by support.

McRae's submission demonstrated strong operational capability and alignment with the City's needs based on the evaluation criteria. In addition, the proposal also addressed the City's sustainability goals, providing clear responses to the circular economy criteria and outlining practices that support responsible resource management and demonstrate an efficient service delivery model.

Although the financial proposal received from Badger Daylighting Limited Partnership was less than the proposal submitted by McRae's Environmental Services, staff noted that their proposal did not include key services such as hydraulic root cutting, pumping, and flushing, and therefore did not meet the minimum requirements of the RFP. The remaining proposals were higher in cost, without offering corresponding enhancements in scope or service delivery.

#### Contract Term

The recommended contract is for an initial three-year term, with the option to renew for up to two additional one-year terms at the conclusion of the initial term.

#### **Financial Impact**

Contract 8438P will be funded through applicable capital, receivable, and operating budgets on an "as and when needed" basis. The total value of this contract over the recommended three-year term is estimated at \$9,286,266, excluding taxes. The City wishes to retain the option to extend the initial three-year term for two additional one-year terms for an aggregate total contract value of \$15,711,201, excluding taxes, as summarized in Table 2.

**Table 2 – Estimated Contract Cost**

<b>Estimated Cost</b>	
First Year (August 2025 – July 2026)	\$2,814,020
Second Year (August 2026 – July 2027)	\$2,814,020
Third Year (August 2027 – July 2028)	\$2,814,020
Contingency (10%)	\$844,206
Subtotal (Three-year Term)	\$9,286,266
Optional Fourth Year – 2.5% increase (August 2028 – July 2029)	\$2,884,370
Optional Fifth Year – 2.5% increase (August 2029 – July 2030)	\$2,956,480
Contingency (10%)	\$584,085
Subtotal (Optional Years)	\$6,424,935
<b>Total Estimated Costs (exclusive of taxes)</b>	<b>\$15,711,201</b>

July 4, 2025

- 5 -

## **Conclusion**

This report presents the results of a competitive procurement process for Contract 8438P Provision of Hydrovac Services.

It is recommended that the contract be awarded to McRae's Environmental Service Ltd. for an initial three-year term commencing on August 1, 2025 and that the Chief Administrative Officer and the General Manager, Engineering and Public Works be authorized to extend the initial three-year term, up to the maximum total term of five years, for the maximum total amount of contract of \$15,711,201, excluding taxes.



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