



City of Richmond

Report to Committee

To: General Purposes Committee **Date:** May 14, 2020
From: Tim Wilkinson **File:** 02-0775-50-6762/Vol
 Fire Chief 01
Re: **Contract Award (Request for Proposal 6762P) – Supply and Delivery of a Quint and Engine for Richmond Fire Rescue (RFR)**

Staff Recommendation

That contract 6762P be awarded for the supply and delivery of a Quint and Engine for Richmond Fire-Rescue (RFR) to Commercial Emergency Equipment Co. for a total cost of \$2,417,373.00, exclusive of taxes.

Tim Wilkinson
 Fire Chief
 (604-303-2701)

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

Staff Report

Origin

This report supports City Council 2018-2022 Strategic Focus Areas:

A Safe and Resilient City: Enhance and protect the safety and well-being of Richmond.

1. *Enhance safety services and strategies to meet community needs.*

Sound Financial Management: Accountable, transparent, and responsible financial management that supports the needs of the community into the future.

1. *Maintain a strong and robust financial position.*
2. *Clear accountability through transparent budgeting practices and effective public communication.*
3. *Decision-making focuses on sustainability and considers circular economic principles.*

Analysis

Staff are proposing to purchase two vehicles (Quint and Engine) to replace vehicles that are coming to end of life and to facilitate Richmond Fire-Rescue's operational needs.

Further, staff propose to delay the purchase of two additional vehicles (Hazardous Materials Response Truck and Initial Attack Fire Apparatus) in consideration of the financial impacts of the COVID-19 Pandemic.

The funding source for Quint and Engine vehicle replacements is through the Fire Vehicle and Equipment Reserve.

In 2019, Council approved 36 additional firefighters along with the addition of a new engine truck and a new rescue truck (Initial Attack Fire Apparatus), funded by the Rate Stabilization Account. To date, 24 of the 36 firefighters have been hired allowing for their assignment to the engine.

Request for Proposal Process

Request for Proposal (RFP) 6762P for the Supply and Delivery of a Quint, Hazardous Materials, Initial Attack Fire Apparatus (Rescue) and Engine for Richmond Fire-Rescue (RFR) was posted to BC Bid on November 22, 2019 and closed January 23, 2020. The RFP included detailed specifications and operational requirements for the supply of the following vehicles:

- 1 (one) x 75ft. Quint;
- 1 (one) x Hazardous Materials Response Truck;
- 1 (one) x Initial Attack Fire Apparatus (Rescue); and
- 1 (one) x Engine (To accommodate 24 new staff).

The RFP 6762P was issued for four vehicles with approved funding by Council totalling \$3,454,376.00.

The RFP advised interested proponents that the City was looking for innovative financial and technical solutions in regards to fire apparatus design and production matching with industry standards and the City of Richmond’s operational needs.

An information meeting was held on December 11, 2019 to provide interested proponents with an opportunity to seek clarification and receive additional information about the RFP requirements.

To minimize risk to the City, a performance, labour and material bond representing 50 per cent of the value of the contract was a requirement of the RFP.

The following proponents submitted proposals for all four apparatus by the closing date:

- Commercial Emergency Equipment Co. (Commercial) - distributor of Pierce Manufacturing Fire Trucks
- Safetek Emergency Vehicles Ltd. (Safetek) - distributor of Smeal, SVI and Metalfab Fire Trucks

Table 1: Financial Proposals (Canadian Dollars)

| Proponent | Initial Attack Fire Apparatus (Rescue) | Engine | 75ft. Quint | HazMat Truck |
|-------------------|---|----------------|--------------------|---------------------------|
| Commercial | \$322,020.70 | \$1,027,873.05 | \$1,389,500.00 | \$714,982.00 |
| Safetek | \$418,836.00 | \$793,564.00 | \$1,284,663.00 | Did not meet the criteria |

Review Process

Proponents were instructed to submit individual proposals for each apparatus described in the RFP. This requirement allowed staff to undertake a separate evaluation for each apparatus allowing for the potential of multiple contract awards. Proposals for all apparatus were scored and evaluated by staff against pre-determined criteria that included:

- understanding of RFR’s objectives and requirements;
- financial offer and total cost of ownership;
- business and technical reputation and capabilities;
- specification of the proposed apparatus; and
- value added services.

Aside from the financial proposals received, other areas of evaluation included:

- a. compliance to all applicable standards, laws, regulations;
- b. performance that prioritizes ergonomics and firefighter safety;
- c. operational safety and efficiency;

- d. the Proponent’s Preventative Maintenance Program; and
- e. information related to environmental, circular economy, corporate and/or end of life initiatives and strategies.

Table 2 provides a summary of the overall scores awarded by the evaluation team for each apparatus. Although Safetek submitted lower prices for the supply of the engine and the 75ft. Quint, the proposals for these apparatus received lower overall scores from the team due to a lack of understanding of RFR’s operational requirements, less detailed specifications provided and a proposed schedule that only allowed for limited opportunities for staff members to attend on site inspections.

Table 2: Evaluation Summary

| Proponent | Initial Attack Fire Apparatus (Rescue) | Engine | 75ft.Quint | Hazmat |
|-------------------|---|---------------|-------------------|---------------------------|
| Commercial | 65% | 65% | 69% | 55% |
| Safetek | 55% | 63% | 63% | Did not meet the criteria |

The evaluation team determined that Commercial’s proposal created the best value for the City of Richmond.

Award Recommendation

The recommendation is to award a single contract to Commercial for the supply of two of the four vehicles identified within RFP 6762P for a total cost of of \$2,417,373.00, exclusive of taxes for the following reasons:

- The delivery schedule of a Quint and Engine is approximately 14 months from the date of Purchase Order (PO) creation to operational readiness.
- The current Quint is at end of life and is costing the department to maintain it in a roadworthy manner.
- The Engine most closely aligns with the operational needs of the department and is scheduled to accommodate the 24 new staff; in the interim RFR is using a reserve vehicle for this purpose.
- The Hazardous Materials Truck while close to end of life can be maintained in a roadworthy manner for two more years.
- The Initial Attack Fire Apparatus is a new vehicle for the 12 additional firefighters which will be considered during the 2021 budget process.

The proposals provided by Commercial provide the greatest value to the City as they:

- demonstrated a strong understanding of RFR’s objectives;
- proposed apparatuses that either met or exceeded the requirements described in the RFP;

- have the required capacity, skills and experience, training programs and reporting capabilities; and
- provided a proposal which was very comprehensive and clearly laid out.

Corporate policies and procedures have been followed in the soliciting and award of this contract. The award of this contract requires Council approval, as the total amount exceeds the authorized amount under Officer and General Manager Bylaw No. 8215.

RFR does have a need for a Haz Mat and the Initial Attack Fire Apparatus (Rescue) trucks, RFR is recommending the deferral of these vehicles to another budget cycle due to the financial impacts of the COVID-19 Pandemic. This represents a delay in spending of \$1,036,003.00.

Financial Impact

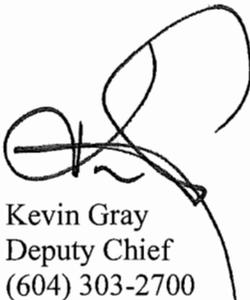
The total value of the proposed contract is \$2,417,373 CDN exclusive of taxes, with the Commercial submission payment term of Option A: Net 30 of delivery with 10 per cent holdback for 55 days.

If Council approves the purchase of the Initial Fire Attack Apparatus (Rescue) and Haz Mat Response Truck in advance of considering the additional 12 firefighters during the 2021 budget process, the total value of that contract would be \$3,454,376.00.

The pricing provided in Commercial's proposal is originally valid until May 29, 2020. They have provided a verbal price guarantee for the two vehicles proposed in this report and an extension to June 12, 2020 at the City's request. The figures quoted in this report are in Canadian dollars, due to the recent impact of the decline in the CAD versus USD exchange rate, there is a risk that not proceeding with the contract at this time will result in higher prices in the future.

Conclusion

Staff recommend that contract 6762P be awarded for the supply and delivery of a Quint and Engine for Richmond Fire Rescue (RFR) to Commercial Emergency Equipment Co. for a total cost of \$2,417,373.00, exclusive of taxes.



Kevin Gray
Deputy Chief
(604) 303-2700

KG:kg