

INTER-OFFICE MEMORANDUM

TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2015 February 13

FROM: DIRECTOR FINANCE

FILE: 5820-20

**SUBJECT: CONTRACT AWARD – HIRED EQUIPMENT SERVICES
ADDITIONAL INFORMATION**

At the 2015 January 19 Council meeting, Council approved thirty-three individual two-year contract awards for the provision of Hired Equipment Services for a total cost of \$9,000,000 including taxes in the amount of \$428,570. The work of these contracts includes the supply of labour and equipment for hired equipment services on an “as needed” basis. The contract award is for a two year period from 2015 January 01 to 2016 December 31 at an estimated cost of \$9,000,000 including taxes of \$428,570. Included in the contract is an option of up to three individual one year extensions at the discretion of the City.

On 2015 January 29, the Financial Management Committee requested additional information regarding the vendors selected to provide Hired Equipment Services and the determination of the projected contract value of \$9 million dollars.

BACKGROUND

In 2014 the City invited applicants to bid for the provision of necessary materials, labour, tools, and equipment for the delivery of Hired Equipment Services to assist City forces in completing construction and maintenance programs, in the provision of peak workload supplemental services, and in the delivery of specialized equipment services.

The selected applicants received a Standing Offer Agreement for services to be ordered by the City solely on an “as and when required” basis. The City reserves the right to select equipment and/or services based on price, age of equipment, condition of equipment, availability, response time, previous experience of operator and performance with the City and/or references for previous contracts of a similar nature.

Thirty-three service providers with fixed hourly rates for man plus equipment, or Hired Equipment Services were selected. The pool of providers offers a variety of equipment ranging from tandem dump trucks, backhoes, excavators, loaders, crawlers, tractors, cranes, graders, sweepers, hydro-excavators, vacuum trucks, other miscellaneous construction related equipment and construction trade services.

Examples of Hired Equipment Services to be provided include:

- Approximately 12 trucking/haulage companies to provide tandem dump truck services for transportation of excavated material and aggregates to support capital work construction projects and peak workload. These service requirements will reduce once the Major Road Network Winter Maintenance Program is brought in-house as part of the Works Yard redevelopment;
- Three approved tractor flail mowers that provide seasonal road boulevard and ditch grass mowing services throughout the City;
- Specialized excavators with long reach stick boom for in-stream fisheries work;
- Excavators with specific operating weights, attachments and bucket capacity for various construction applications. The list of specialized equipment would be difficult to provide internally to meet the various and diverse construction work requirements;
- Specialized equipment (dozer) for land clearing and preparation at the City Transfer Facility (Norland). This equipment will no longer be required once the landfill is capped and closed;
- Specialized closed circuit television equipment to inspect and assess sewer mains and lateral connections. This equipment is used to augment the City's own equipment;
- Hydro-excavators and vacuum truck equipment to augment existing equipment for hydro-excavating, catch basin cleaning and hydraulic sewer cleaning. Additional equipment will be a consideration for procurement when the new Works Yard redevelopment is complete and storage space is made available;
- Specialized tree cutting and chipping equipment and certified personnel.

Redevelopment of the Laurel Street Works Yard

Currently, the Laurel Street Works Yard is experiencing overcrowding of both site and building facilities due to a spatial shortfall and outdated facilities. With no room to accommodate any expansion of services without negatively affecting other existing functions the hiring of contractors has been necessary. However, the expansion of in-house services has been considered where feasible in the Works Yard redevelopment planning process. As an example, the new facility has been designed to provide space for an additional six to seven tandem dump trucks to support the in-house delivery of the Major Road Network Winter Maintenance Program. This will help to reduce the City's dependence on hired equipment and services contractors in the future.

During the interim Council has approved the City entering into Standing Offer Agreements with the following 28 bidders who have done business with the City during the past five years:

- Alnor Excavating Ltd.
- BC Plant Health Care Inc.
- Bedrock Bulldozing Ltd.
- Bert Warkentin DBA BA Trucking
- Blackbear Excavating Ltd.
- Blue Ribbon Equipment Rentals Ltd.
- Cloudburst Cranberry Farm Ltd.
- Cranco Contracting Ltd.
- Dave Whalley + Sons Contracting Ltd.
- Davey Tree Expert Co. of Canada, Ltd.
- Donerite Backhoe Services Ltd.
- G.P. Bulldozing
- H. Cheema Trucking Ltd.
- Hank's Trucking & Bulldozing Ltd.
- Horseshoe Star Holdings Ltd.
- Jerry Williams Excavating Ltd.
- Mathers Bulldozing
- McRae's Environmental Services Ltd.
- N.S. Grewal Trucking Co.
- R. Lenville Trucking
- Richco Contracting Ltd.
- Scott Mitchell Excavating Ltd.
- Superior City Services Ltd.
- Terry Krossenger Trucking
- The F.A. Bartlett Tree Experts Canada Ltd.
- Totem Tree Resources Ltd. DBA Capilano Tree Service
- Trevor Jarvis Contracting Ltd.
- Vanport Enterprises Ltd.

The City will also enter into a Standing Offer Agreement with the following five new bidders:

- Atlas Power Sweeping Ltd.
- T. Sekhon Trucking Ltd.
- PSL – Par's Services Ltd.
- S. Sidhu Trucking Ltd.
- Eagle West Truck & Crane Inc.

Attachment 1 provides the costs of hired contract services in the City for the past two years (2013 – 2014). These services totalled \$8.5 million for the two year period.

Attachment 2 provides a five year historical cost trend for these services.

This information is provided in response to the request of the Financial Management Committee.



Denise Jorgenson
DIRECTOR FINANCE

DJ/ml

Attachments: 1. 2013-2014 Hired Equipment Contract Expenditures
2. 2010-2014 Hired Equipment Contract Expenditures

Copied to: Mayor and Members of Council
City Manager
Director Engineering
Director Parks, Recreation and Cultural Services
City Clerk

2013 – 2014 Hired Equipment Services Expenditures

Hired Equipment Services - Vendors	2013	2014	2013-2014 Total
BLUE RIBBON EQUIPMENT RENTALS LTD	\$2,009.00	-	\$2,009.00
BLACKBEAR EXCAVATING LTD	\$1,014.50	\$3,818.16	\$4,832.66
SUPERIOR CITY SERVICES LTD	-	\$36,712.50	\$36,712.50
HORSESHOE STAR HOLDINGS	\$27,531.33	\$75,368.24	\$102,899.57
H. CHEEMA TRUCKING LTD	\$53,914.78	\$64,050.00	\$117,964.78
TERRY KROSSENGER TRUCKING	\$66,938.60	\$56,600.00	\$123,538.60
RICHCO CONTRACTING LTD	\$21,659.00	\$105,563.50	\$127,222.50
ALNOR EXCAVATING LTD	\$65,347.23	\$66,856.00	\$132,203.23
STP TRUCKING LTD	\$83,409.50	\$61,760.00	\$145,169.50
DAVEY TREE EXPERT CO OF CANADA LTD	\$84,193.88	\$61,275.68	\$145,469.56
BA TRUCKING (BERT WARKENTIN)	\$76,172.64	\$75,933.00	\$152,105.64
R. LENVILLE TRUCKING	\$70,631.82	\$83,616.00	\$154,247.82
DAVE WHALLEY + SONS CONTRACTING LTD	\$68,396.64	\$87,711.00	\$156,107.64
N.S. GREWAL TRUCKING CO	\$71,497.12	\$89,362.50	\$160,859.62
CLOUDBURST CRANBERRY FARM LTD	\$61,740.00	\$103,096.00	\$164,836.00
CRANCO CONTRACTING LTD	\$85,260.00	\$102,263.00	\$187,523.00
CAPILANO TREE SERVICE (TOTEM TREE RESOURCES LTD)	\$94,078.07	\$105,282.00	\$199,360.07
DONERITE BACKHOE SERVICES LTD	\$130,963.59	\$141,072.02	\$272,035.61
MATHERS BULLDOZING	\$176,848.92	\$137,280.00	\$314,128.92
JERRY WILLIAMS EXCAVATING LTD	\$167,795.98	\$174,014.00	\$341,809.98
G. P. BULLDOZING	\$173,543.25	\$171,216.00	\$344,759.25
BEDROCK BULLDOZING LTD	\$155,398.10	\$192,194.00	\$347,592.10
SCOTT MITCHELL EXCAVATING LTD	\$180,359.27	\$203,820.00	\$384,179.27
TREVOR JARVIS CONTRACTING LTD	\$168,776.90	\$253,349.25	\$422,126.15
VANPORT ENTERPRISES LTD	\$345,905.60	\$212,616.50	\$558,522.10
BC PLANT HEALTH CARE INC	\$254,328.64	\$365,863.14	\$620,191.78
THE F.A. BARTLETT TREE EXPERTS CANADA LTD	\$266,521.87	\$471,591.35	\$738,113.22
HANK'S TRUCKING & BULLDOZING LTD	\$550,043.05	\$374,966.11	\$925,009.16
MCRAE'S ENVIRONMENTAL SERVICES LTD	\$560,374.25	\$489,715.20	\$1,050,089.45
BURRARD AGGREGATES*	\$23,744.49	-	\$23,744.49
PETER BADER*	\$55,980.10	\$35,720.00	\$91,700.10
Total	\$4,144,378.12	\$4,402,685.15	\$8,547,063.27

*Two vendors not included in the 2015-2016 contracts.

2010 – 2014 Hired Equipment Services Expenditures

Hired Equipment Services - Vendors	2010	2011	2012	2013	2014	Total
BLUE RIBBON EQUIPMENT RENTALS LTD	\$ 31,356.67	\$ 30,427.32	\$ 23,369.94	\$ 2,009.00	-	\$ 87,162.93
BLACKBEAR EXCAVATING LTD	\$ 111,340.61	-	\$ 10,748.87	\$ 1,014.50	\$ 3,818.16	\$ 126,922.14
SUPERIOR CITY SERVICES LTD	\$ 11,310.00	\$ 133,699.50	-	-	\$ 36,712.50	\$ 181,722.00
HORSESHOE STAR HOLDINGS	\$ 64,008.60	\$ 63,847.03	\$ 60,375.93	\$ 27,531.33	\$ 75,368.24	\$ 291,131.13
H.CHEEMA TRUCKING LTD	\$ 41,246.50	\$ 27,635.29	\$ 38,924.46	\$ 53,914.78	\$ 64,050.00	\$ 225,771.03
TERRY KROSSENGER TRUCKING	\$ 56,581.33	\$ 59,943.47	\$ 39,072.02	\$ 66,938.60	\$ 56,600.00	\$ 279,135.42
RICHCO CONTRACTING LTD	\$ 4,326.91	\$ 17,592.56	\$ 20,622.17	\$ 21,659.00	\$ 105,563.50	\$ 169,764.14
ALNOR EXCAVATING LTD	\$ 52,121.45	\$ 60,323.49	\$ 70,836.31	\$ 65,347.23	\$ 66,856.00	\$ 315,484.48
STP TRUCKING LTD	\$ 55,783.26	\$ 50,783.41	\$ 39,173.75	\$ 83,409.50	\$ 61,760.00	\$ 290,909.92
DAVEY TREE EXPERT CO OF CANADA LTD	\$ 104,888.57	\$ 82,147.58	\$ 77,718.73	\$ 84,193.88	\$ 61,275.68	\$ 410,224.44
B A TRUCKING (BERT WARKENTIN)	\$ 88,693.81	\$ 60,356.06	\$ 61,941.32	\$ 76,172.64	\$ 75,933.00	\$ 363,096.83
ROSS LENVILLE TRUCKING	\$ 73,470.29	\$ 92,602.66	\$ 64,454.52	\$ 70,631.82	\$ 83,616.00	\$ 384,775.29
DAVE WHALLEY & SONS CONTRACTING LTD	-	\$ 58,074.81	\$ 60,240.06	\$ 68,396.64	\$ 87,711.00	\$ 274,422.51
N.S.GREWAL TRUCKING CO	\$ 36,324.92	-	-	\$ 71,497.12	\$ 89,362.50	\$ 197,184.54
CLOUDBURST CRANBERRY FARM LTD.	\$ 94,158.89	\$ 99,665.13	\$ 96,025.53	\$ 61,740.00	\$ 103,096.00	\$ 454,685.55
CRANCO CONTRACTING LTD	\$ 94,457.18	\$ 92,236.37	\$ 100,313.29	\$ 85,260.00	\$ 102,263.00	\$ 474,529.84
CAPILANO TREE SERVICE (TOTEM TREE RESOURCES LTD)	\$ 39,472.35	\$ 75,676.03	\$ 62,697.81	\$ 94,078.07	\$ 105,282.00	\$ 377,206.26
DONERITE BACKHOE SERVICES LTD	\$ 148,862.99	\$ 143,076.76	\$ 108,418.69	\$ 130,963.59	\$ 141,072.02	\$ 672,394.05
MATHERS BULLDOZING	\$ 151,514.86	\$ 109,591.87	\$ 132,756.27	\$ 176,848.92	\$ 137,280.00	\$ 707,991.92
JERRY WILLIAMS EXCAVATING LTD	\$ 271,012.97	\$ 174,508.36	\$ 163,203.92	\$ 167,795.98	\$ 174,014.00	\$ 950,535.23
G P BULLDOZING	\$ 267,263.02	\$ 187,642.26	\$ 182,376.70	\$ 173,543.25	\$ 171,216.00	\$ 982,041.23
BEDROCK BULLDOZING LTD	\$ 82,518.93	\$ 138,799.20	\$ 192,170.11	\$ 155,398.10	\$ 192,194.00	\$ 761,080.34
SCOTT MITCHELL EXCAVATING LTD	\$ 293,772.51	\$ 203,701.93	\$ 138,433.92	\$ 180,359.27	\$ 203,820.00	\$ 1,020,087.63
TREVOR JARVIS CONTRACTING LTD	\$ 251,462.41	\$ 159,314.54	\$ 86,332.82	\$ 168,776.90	\$ 253,349.25	\$ 919,235.92
VANPORT ENTERPRISES LTD	\$ 169,923.84	\$ 301,549.35	\$ 163,112.88	\$ 345,905.60	\$ 212,616.50	\$ 1,193,108.17
BC PLANT HEALTH CARE INC	\$ 105,594.99	\$ 116,860.36	\$ 133,299.86	\$ 254,328.64	\$ 365,863.14	\$ 975,946.99
THE F.A. BARTLETT TREE EXPERTS CANADA LTD	\$ 209,497.76	\$ 120,339.05	\$ 217,463.15	\$ 266,521.87	\$ 471,591.35	\$ 1,285,413.18
HANK'S TRUCKING & BULLDOZING LTD	\$ 302,565.86	\$ 405,025.52	\$ 202,734.70	\$ 550,043.05	\$ 374,966.11	\$ 1,835,335.24
MCRAE'S ENVIRONMENTAL SERVICES LTD	\$ 399,460.06	\$ 437,491.89	\$ 467,515.66	\$ 560,374.25	\$ 489,715.20	\$ 2,354,557.06
ASPLUNDH CANADA ULC*	\$ 30,423.13	-	\$ 485.35	-	-	\$ 30,908.48
BURRARD AGGREGATES*	\$ 73,801.02	\$ 66,447.83	\$ 64,414.87	\$ 23,744.49	-	\$ 228,408.21
CENTRAL PACIFIC TRUCKING LTD*	-	\$ 595.24	-	-	-	\$ 595.24
FINAL DRIVE INVESTMENTS LTD*	\$ 26,507.63	-	-	-	-	\$ 26,507.63
PETER BADER*	\$ 41,239.87	\$ 49,531.90	\$ 25,234.00	\$ 55,980.10	\$ 35,720.00	\$ 207,705.87
Total	\$ 3,784,963.19	\$ 3,619,486.77	\$ 3,104,467.61	\$ 4,144,378.12	\$ 4,402,685.15	\$ 19,055,980.84

*Five vendors that are not included in the 2015-2016 contract.