

TO: MAYOR & COUNCILLORS
FROM: DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER
SUBJECT: **CE – TOWING AND STORAGE SERVICES**
PURPOSE: To obtain Council approval to award a Contract Extension (CE) for towing and storage services.

RECOMMENDATION

THAT a five-year contract extension to Mundie’s Towing, Storage & Service (1976) Ltd. for an estimated cost of \$250,000 including GST in the amount of \$11,905 and guaranteed total revenue to the City of \$1,165,500 including GST in the amount of \$55,500 as outlined in the Council Report titled “CE – Towing and Storage Services” dated for February 26, 2024 be approved; and,

THAT final payment will be based on the actual quantity of goods and services delivered and payment rates as submitted.

1.0 POLICY SECTION

The City’s Change Order Policy requires Council’s approval for change orders, which individually or when accumulated with prior change orders, increases the total value of the contract by \$1,000,000.

2.0 BACKGROUND

Following a Request for Proposals (RFP) on June 24, 2019, Council awarded a contract to Mundie’s Towing, Storage & Service (1976) Ltd. in the amount of \$425,000 including GST in the amount of \$20,239 and guaranteed total revenue to the City of \$1,110,000. The contract was for a five year period from July 1, 2019 to June 30, 2024 with the option to extend at the City’s sole discretion for an additional five year period.

These services are required for parking bylaw enforcement, City fleet towing services, and use by the RCMP for incidents which require vehicles to be towed or impounded. The rates for the towing services are based on the ICBC Towing and Storage Rate Payment Schedule annually.

3.0 GENERAL INFORMATION

This recommendation is for a five-year contract extension for the period July 1, 2024 to June 30, 2029 for an estimated cost of \$250,000 including GST in the amount of \$11,905 and guaranteed total revenue to the City of \$1,165,500 including GST in the amount of \$55,500. The total estimated contract value is \$675,000 including GST in the amount of \$32,143 and the total guaranteed revenue to the City is \$2,275,500 including GST in the amount of \$55,500. Review by City staff indicates that Mundie’s Towing, Storage & Service (1976) Ltd. has the capability to successfully complete the work required under this contract.

The General Manager Community Safety concurs with this recommendation.

Contract History	Date	Accumulative Total Change (including GST)
Original Contract Award	July 2019 – June 2024	\$ 425,000
1 st Contract Extension	July 2024 – June 2029	\$250,000
TOTAL		\$ 675,000

Contract History - Revenue	Date	Accumulative Total Change
Original Guaranteed Revenue	July 2019 – June 2024	\$ 1,110,000
1 st Contract Extension	July 2024 – June 2029	\$1,165,500
TOTAL REVENUE		\$ 2,275,500

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

The RFP #42-02/19 (Attachment 1) was publicly advertised. Upon closing, the City received a total of one submission.

5.0 FINANCIAL CONSIDERATIONS

Funding for this operating work will be provided in the 2024 – 2028 Financial Plan under various operating accounts.

Respectfully submitted,
 Noreen Kassam, Deputy Chief Administrative Officer and Chief Financial Officer

ATTACHMENTS

Attachment 1 – RFP 42-0219

REPORT CONTRIBUTORS

This report was prepared by Rebecca Yeung, Senior Buyer, and reviewed by Robyn Tegart, Senior Manager Purchasing – Operations.