

TO: MAYOR & COUNCILLORS
FROM: DEPUTY CHIEF ADMINISTRATIVE OFFICER AND CHIEF FINANCIAL OFFICER
SUBJECT: **CI – TANDEM AXLE DUMP TRUCKS (66,000 LB. GVW)**
PURPOSE: To obtain Council approval to award a Contract Increase (CI) for Tandem Axle Dump Trucks.

RECOMMENDATION

THAT a contract increase to First Truck Centre Vancouver Inc., for an estimated cost of \$321,880 including GST and PST in the amount of \$34,488 as outlined in the Council Report titled “CI – Tandem Axle Dump Trucks (66,000 Lb. GVW)” dated July 22, 2024 be approved; and,

THAT final payment will be based on the unit prices submitted.

1.0 POLICY SECTION

The City’s Change Order Policy required 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 Proposal (RFP) on April 23, 2024, the City awarded a contract to First Truck Centre Vancouver Inc., in the amount of \$772,954 including GST and PST in the amount of \$82,817. The work of this contract is for the supply and delivery of the vehicle portion of two tandem axle dump trucks.

3.0 GENERAL INFORMATION

A contract increase of \$321,880 including GST and PST of \$34,488 is now required for the addition of dump boxes on each unit. Staff have reviewed the increase and believe it appropriately addresses the City’s need at a competitive cost.

Since the award of the contract, there has been one increase to purchase extended warranty for \$21,398 including GST of \$1,019. The total estimated contract value will be \$1,116,232 including GST and PST in the amount of \$118,324.

The General Manager Engineering concurs with this recommendation.

Contract History	Date	Accumulative Total Change (including GST)
Original Contract Award	April 2024	\$ 772,954
Contract Increase #1	April 2024	\$ 21,398
Contract Increase #2	Pending	\$ 321,880
TOTAL		\$ 1,116,232

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

The RFP #24-01-24 (Attachment 1) was publicly advertised. Upon closing, the City received a total of two submissions.

5.0 FINANCIAL CONSIDERATIONS

Funding is included in the 2024 – 2028 Financial Plan under Engineering – Vehicles & Equipment, Vehicles – Replacement, Tandem Dump Trucks with a budget of \$900,000. There was a budget shortfall due to the cost increases noted above; therefore, a plan reallocation of \$170,000 was made to this project from other vehicles with available plan due to supply chain delays.

This contract increase will be accommodated under WBS element ENZ.0087 (\$308,000 excluding GST).

Respectfully submitted,

Noreen Kassam, Deputy Chief Administrative Officer and Chief Financial Officer

ATTACHMENTS

Attachment 1 – RFP #24-01-24

REPORT CONTRIBUTORS

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