

TO: MAYOR & COUNCILLORS
FROM: DEPUTY GENERAL MANAGER FINANCE
SUBJECT: **CI – HIRED EQUIPMENT SERVICES – VANCOUVER ISLAND TREE SERVICE LTD.**
PURPOSE: To obtain Council approval to award a Contract Increase (CI) for Hired Equipment Services to Vancouver Island Tree Service Ltd.

RECOMMENDATION

THAT a contract increase to Vancouver Island Tree Service Ltd. by an estimated cost of \$170,000 including GST in the amount of \$8,096 as outlined in the report titled “CI – Hired Equipment Services – Vancouver Island Tree Service Ltd.” dated April 22, 2025 be approved; and,

THAT final payment will be based on the actual quantity of services delivered and hourly rates 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 \$500,000.

2.0 BACKGROUND

Following a Request for Standing Offer (RFSO) #76-03-22 in December 2022, the City awarded contracts for hired equipment services to multiple vendors including Vancouver Island Tree Service Ltd. in the amount of \$100,000 including GST in the amount of \$4,762. The contract term is from January 1, 2023 to December 31, 2025.

The scope of the work of this contract is to provide hired equipment services for Parks Operations on an “as and when requested” basis to assist City forces in completing construction work, maintenance programs, and emergency callout support at fixed hourly rates for operators and equipment.

Since the award of this contract, there have been two contract increases for a total cost of \$600,000 including GST in the amount of \$28,572.

3.0 GENERAL INFORMATION

This recommendation is to approve a contract increase of \$170,000 including GST in the amount of \$8,096. The contract increases have been necessary due to increased work that requires certified utility crews on a consistent basis.

The estimated total contract value is \$870,000 including GST in the amount of \$41,429.

Contract History	Date	Accumulative Total Change (including GST)
Original Contract Award	December 2022	\$100,000
First Increase	December 2023	\$140,000
Second Increase	February 2024	\$460,000
Third Increase	Pending	\$170,000
TOTAL		\$870,000

City staff have reviewed the increase and believe it appropriately addresses the City's needs at a fair cost. The General Manager Parks, Recreation, and Culture concurs with this recommendation.

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

RFSO #76-03-22 Hired Equipment Services (Attachment 1) was publicly advertised. Upon closing, the City received a total of thirty-two submissions.

5.0 FINANCIAL CONSIDERATIONS

Funding for this work will be included in the 2025 – 2029 Financial Plan under the Parks operating budget.

Respectfully submitted,

Ratan Grewal, Deputy General Manager Finance

ATTACHMENTS

Attachment 1 – RFSO 76-03-22

REPORT CONTRIBUTORS

This report was prepared by Brad Domaas, Director Parks, Rebecca Yeung, Senior Buyer, and reviewed by Sophan Lum, Senior Manager, Procurement Services.