

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 24, 2017

Item 4, Report No. 1, of the Finance, Administration and Audit Committee, which was adopted, as amended, by the Council of the City of Vaughan on January 24, 2017, as follows:

By approving the following in accordance with Communication C2, from the Deputy City Manager, Public Works and the Director, Fleet Management Services, dated January 18, 2017:

- 1. That recommendation 4. contained in the report of the City Manager, the Director of Fleet Management Services and Director of Environmental Services, dated January 16, 2017, be deleted and replaced with the following:***
- 4. That additional project funding in the amount of \$80,934.67 be added to Capital Project FL-5517-16 funded from the Wastewater Reserve.***

**4 AWARD OF TENDER T-16-411
SPECIFICATION FOR A VACUUM EXCAVATION DEVICE MOUNTED ON A TANDEM AXLE CAB
AND CHASSIS COMPLETE WITH A HIGH PRESSURE FLUSHING/WASHING SYSTEM AND
A STEEL DEBRIS TANK AND BUDGET AMENDMENT**

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the City Manager, Director of Fleet Management Services and Director of Environmental Services, dated January 16, 2017:

Recommendation

The City Manager, Director of Fleet Management Services and Director of Environmental Services, in consultation with Director of Procurement Services, Director of Financial Services and Deputy City Treasurer recommend:

1. That the contract for Tender T16-411 – Specification for a vacuum excavating device mounted on a tandem axle cab and chassis complete with a high pressure flushing/washing system and a steel debris tank, be awarded to FST Canada Inc. o/a Joe Johnson Equipment, in the amount of \$564,065.97, plus applicable taxes;
2. That a contingency allowance in the amount of \$56,406.60, plus applicable taxes, be approved within which the Director of Fleet Management Services, or his designate, is authorized to approve amendments to the contract;
3. That the amounts identified in the above recommendations, including all contingency allowances, applicable taxes and administration recovery, be funded from FL-5517-16 PW-Wastewater-Hydrovac Excavator Truck;
4. That additional project funding in the amount of \$80,934.67 be added to Capital Project FL-5517-16 funded from the Wastewater Reserve;
5. That inclusion of this matter on Public Committee or Council agenda with respect to amending the capital budget be endorsed as meeting the requirements for sufficient notice pursuant to Section 2(1) 9c) of By-Law 394-2002 as amended; and,
6. That the Mayor and City Clerk be authorized to sign the appropriate documents.

Contribution to Sustainability

N/A

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Economic Impact

The financial impact of T16-411 to approve project FL-5517-16 PW-Wastewater-Hydrovac Excavator Truck is illustrated below:

Total Costs	
Tender Cost T16-411	\$
Contract Value (Excl. HST)	536,885
Add: Provisional Items	27,181
Add: Contingency Allowance (10%)	56,407
Sub-Total	620,473
Add: Non-Recoverable HST (1.76%)	10,920
Sub-Total	631,393
Add: 3% Administration Recovery	18,942
Total Costs	650,335

Financial Position	
FL-5517-16	\$
Approved Budget	569,400
Budget Shortfall	(80,935)

Capital Project FL-5517-16 PW-Wastewater-Hydro9vac Excavator Truck was approved as part of the 2016 budget process with a total of \$569,400. The revised project costs including the provisional items are estimated to be \$650,335. The additional budget required can be funded from the Wastewater Reserve.

The significant increase in cost is principally due to the following additions that were not included in the original vehicle specification:

- The hydro excavating truck as specified is a relatively complex fleet vehicle. A 10% project contingency in the amount of \$56,406.60 is requested to be used to address any unforeseen costs that may arise during implementation of this project. Residual funds remaining following the completion of the project and deficiencies being resolved will be recommended to be returned to the original source, upon closure of the project;
- The substitution of the standard equipment hydraulic fluid for fluid that is currently used by Fleet Management Services – a vegetable based, environmentally friendly formula that is both biodegradable and high performance in winter operations;
- The inclusion of provisional item technology that will reduce idling, and resultantly reduce engine wear and tear, fuel use and vehicle emissions, while still enabling a temperature controlled cab for shelter from the elements; and;
- The inclusion of provisional item technology that will ensure that an operator can view truck weight at any time, enhancing safety by ensuring that the truck is not overloaded, and resultantly ensuring Ministry of Transportation compliance at all times.

The City-owned asset and trained operators, as compared to contracting out, will generate an annual operating saving of approximately \$98K allowing staff to perform scheduled maintenance activities for both the Wastewater and Stormwater and Water programs. The truck will also allow the City to respond immediately to emergencies and reduce the reliance on external contractors, improving response times and increasing customer service response levels. The additional savings will be reflected in the 2018 budget as it will take approximately 9 months for the truck to be in service after the tender is awarded.

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Communications Plan

N/A

Purpose

The purpose of this report is to award the contract for Tender T16-411 – Specification for a vacuum excavating device mounted on a tandem axle cab and chassis complete with a high pressure flushing/washing system and a steel debris tank to FST Canada Inc. o/a Joe Johnson Equipment.

Background - Analysis and Options

A hydrovac truck with the capabilities to use high pressure water and vacuum capabilities is essential to maintain water, sanitary sewer and stormwater infrastructure. Environmental Services currently contracts out this service to perform tasks such as flushing sewer and stormwater piping, cleaning sanitary sewer pumping station wet wells, cleaning stormwater catch basins, exposing water services for curb box repairs and thawing frozen water services. The hydrovac truck will be used primarily to respond to emergencies. If there are no emergencies, the truck will be used to perform routine program work to augment the contracted service. Routine work will continue to be performed by contracted services. This shared service delivery model will provide the most efficient and effective service to the citizens and businesses in Vaughan.

Tender T16-411 – Specification for a vacuum excavating device mounted on a tandem axle cab and chassis complete with a high pressure flushing/washing system and a steel debris tank was advertised on City of Vaughan Bidding Website – Vaughan Bids & Tenders, Biggingo, and Ontario Public Buyers Association's website on 14/11/2016 and closed on 01/12/2016. A total of five (5) Plan Takers registered for this tender, and one (1) number of compliant bids was received as per below:

Bidder	Bid Price (Excl. HST)	Provisional Items (Excl. HST)	Total cost (Excl. HST)
FST Canada Inc. o/a Joe Johnson Equipment (Vehicle B)	\$536,885.21	\$27,180.76	\$564,065.97

Based on the review of the submitted bids, staff recommends awarding the contract for Tender T16-411 – Specification for a vacuum excavating device mounted on a tandem axle cab and chassis complete with a high pressure flushing/washing system and a steel debris tank, to the lowest, compliant bidder, FST Canada Inc. o/a Joe Johnson Equipment.

Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

This report is consistent with the priorities established in the updated Term of Council Service Excellence Strategy Map, specifically:

T06 – Invent, renew and manage infrastructure and assets; and

S02 – Operational Performance – Effective service delivery.

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Regional Implications

N/A

Conclusion

Staff recommends that the contract for Tender T16-411 – Specification for a vacuum excavating device mounted on a tandem axle cab and chassis complete with a high pressure flushing/washing system and a steel debris tank be awarded to FST Canada Inc. o/a Joe Johnson Equipment, in the amount of \$564,065.97, plus applicable taxes. Based on the analysis included in this report, it is proposed that additional funding be approved for FL-5517-16 PW-Wastewater-Hydrovac Excavator Truck, with \$80,934.67 funded from the Wastewater Reserve.

Attachments

N/A

Report prepared by:

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