

NO: R042

COUNCIL DATE: March 10, 2025

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **March 6, 2025**

FROM: **General Manager, Engineering**

FILE: **2320 (Tandem Axle Trucks)**

SUBJECT: **Award of Contract No. 1220-040-2024-093
Supply of Two Tandem Axle Dump Trucks with Winter Maintenance Equipment**

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract No. 1220-040-2024-093 to First Truck Centre Vancouver Inc. in the amount of \$1,267,042.56 (including all applicable taxes and levies) for the supply of two compressed natural gas fuelled tandem axle dump trucks with associated winter maintenance equipment;
2. Set the expenditure authorization limit for Contract No. 1220-040-2024-093 at \$1,267,042.56 (including all applicable taxes and levies); and
3. Authorize the General Manager, Engineering to execute Contract No. 1220-040-2024-093.

INTENT

The purpose of this report is to seek Council approval for staff to purchase two compressed natural gas (“CNG”) fuelled tandem axle dump trucks and associated winter maintenance equipment, as identified within this report.

DISCUSSION

Scope of Work

As part of the 2024 Fleet Capital Replacement Budget, the Engineering Department identified two tandem axle dump trucks requiring replacement due to age and condition of the vehicles.

Request for Quotation Results

On November 2024, A Request for Quotation (“RFQ”) was posted on the BC Bid and City of Surrey websites for tandem axle trucks, including front-mount ploughs and salt spreaders. The RFQ requested three fuel options: dedicated CNG, diesel, and electric. The City received three submissions from two proponents as follows:

Supplier	Total Amount for 2 Trucks (including taxes and levies)	Fuel Type	Corrected Amount
1. First Truck Centre Vancouver Inc.	\$1,087,170.56	Diesel	No Change
2. National Truck Centre Inc.	\$1,194,596.48	Diesel	No Change
3. First Truck Centre Vancouver Inc.	\$1,267,042.56	CNG	No Change

Evaluation

Two quotations were received for diesel engines, one was received for a CNG engine, and none were received for electric trucks. All quotations received were reviewed for accuracy and completeness.

Although the initial purchase price of diesel trucks is lower, a thorough lifecycle cost analysis has determined that CNG trucks yield an overall savings of about \$146,000 per vehicle. This benefit is driven by lower fuel expenses, reduced maintenance costs, and improved operational efficiency. Considering these significant lifetime savings, CNG trucks offer the most cost-effective long-term solution for the City. Furthermore, since the City of Surrey is one of the largest producers of renewable natural gas in BC through the Surrey Biofuel Facility, adding these CNG trucks aligns seamlessly with its low-emission fleet strategy.

It is therefore recommended that First Truck Centre Vancouver Inc. be awarded Contract No. 1220-040-2024-093 for the supply and delivery of two CNG- fuelled tandem axle dump trucks with winter maintenance equipment.

FUNDING

Funding for this contract is available in the 2024 Fleet Capital Replacement Budget.

Scott Neuman, P.Eng.
General Manager, Engineering

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