



City of
Ville d' **Ottawa**

September 21, 1998

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Department of Urban Planning and Public
Works

Ward/Quartier

City Wide

- Community Services and Operations
Committee / Comité des services
communautaires et des opérations
- City Council / Conseil municipal

Action

Hiring of Dump Trucks

Louage de Camions à Benne

Recommendation

That for the 1998/99 season and beyond that the Hired Dump Truck needs be met through the tendering system.

September 22, 1998 (11:08a)

Edward Robinson
Commissioner of Urban Planning and Public
Works

September 22, 1998 (1:21p)

Approved by
John S. Burke
Chief Administrative Officer

JG:jp

Contact: James Guilbault - 244-5300 ext. 1-2048
James Mouland - 244-5300 ext. 1-2047

Financial Comment

Approval of this recommendation will enable the Department of Urban Planning and Public Works to establish the best possible price for the City of Ottawa hired trucks. Any savings realized through the tendering process will be identified in future reports as appropriate.



September 22, 1998 (9:00a)

for Mona Monkman
City Treasurer

CP:cds

Executive Report

Reasons Behind Recommendation

The City presently hires single axle, tandem, and tri-axle dump trucks through a rotation system, and pays hourly rates established through negotiations with the Greater Ottawa Truckers Assoc.

Following a vote of their membership, the Truckers Assoc. has requested an 8% increase to the hourly rates, to cover their increased expenses, and because they have not had a rate increase since 1991.

Semi-dump trailers, which have a larger dump box capacity, as well as all equipment, other than single axle, tandem, and tri-axle dump trucks, are hired through the public tender process. Based on the tendered hourly rates, it is \$1.00 per cubic meter on average, less expensive to hire a semi-dump trailer, than the other dump trucks. Snow removal, sewer cleaning, and paving projects are all hired through the public tender process. A public tender will let the market determine the price for the engaging of private dump trucks, thus establishing the lowest available rates for truck hire.

In addition, because payment will be for cubic meter of snow hauled, there will be an incentive for truckers to be more productive.

Cost Analysis of Recommendation

It is anticipated that dump trucks required primarily for snow removal operations can be hired at less expense if the market is allowed to establish the rates rather than relying on negotiations.

The trucks will be paid by the cubic meter for snow removal, rather the present system which is by an hourly rate.

Environmental Impact

No environmental impact is anticipated as recommendation falls within the MEEP Automatic Exclusion List - Section I(c) - Purchased Services.

Consultation

Public Input

The Regional Municipality of Ottawa Carleton, the NCC, and the Ministry of Transportation have received copies of this report.

Staff from the City of Ottawa met with representatives of the Greater Ottawa Truckers Assoc. over the last several months in an effort to negotiate not having an increase in the hourly rates, but were not successful. The membership of the Greater Ottawa Truckers Assoc. voted to support an 8% increase to the rates.

The Greater Ottawa Truckers Assoc. have received a copy of this report. They do not support the recommended change to payment by the cubic meter to haul snow rather than the present system, which is by the hour at a negotiated rate.

Departments Consulted

The Department of Corporate Services, Corporate Law Branch advises there is no legal impediment to undertaking this recommendation.

Disposition

The Department of Urban Planning and Public Works, Asset Management Branch, to establish prices for hired dump trucks through the tendering system.

List of Supporting Documentation

Document 1 - Background to Recommendation

Part II - Supporting Documentation

Document 1

Background to Recommendation

In December 1995, The Department of Engineering and Works (now Urban Planning and Public Works) began a review of its truck hiring policies. Single axle, tandem and tri-axle dump trucks were being hired under a truck hire seniority system, which had been in place for close to fifty years. Under that system, truckers had to register to each year to maintain their position on the seniority list. The oldest registration dated back 1947. One truck was hired from each trucker on the list. Hiring commenced at the beginning of the list each 24 hour period. Longtime registrants were able to receive numerous shifts, while new registrants received very few. Complaints were received because the work was not being distributed equally.

Two scenarios were considered to replace the hired truck seniority system. The first was to negotiate a rate and hire the trucks on a rotational basis starting off at the point on the listing where hiring stopped on the previous day. The truck rates would continue to be established through negotiations with the truckers association, as in the past.

An alternative was to use the public tendering process to establish rates. This would allow the market place to determine the price for the engaging of private dump trucks, thus establishing the lowest rates available for truck hire.

Following negotiations with the Truckers Association, in 1996, in which hourly rate concessions were obtained by the City, it was recommended to City Council, that the first scenario, i.e. hiring through the rotation system, be approved. Approval was received from Council on February 19, 1997 and the change was instituted November 1, 1997, for the 1997/98 season.

City staff have continued to meet with representatives of the Greater Ottawa Truckers Assoc., since February 1997. Over the last several months the Truckers Assoc. continued to request a rate increase. When the Association informed City staff, that their membership had voted to request an 8% rate increase, City staff advised them this was not acceptable and that they would use the tender process for all future truck hiring, which would allow the market place to establish rates. The trucks will be contracted by the hour for hauling granular and other materials, and by the cubic meter hauled for snow, based on truck dump box capacities of 12 cm., 15 cm., 18 cm., and 20 cm. Previously, trucks were hired by the hour for snow removal.