



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: May 27, 2009
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VanRIMS No.: 08-2000-20
Meeting Date: June 16, 2009

TO: Vancouver City Council

FROM: General Manager of Engineering Services
Manager of Supply Management

SUBJECT: Award of Tender PS09036 - Supply and Delivery of Waterworks Brass and Screwed Brass Fittings

RECOMMENDATION

- A. THAT subject to the conditions set out in Recommendations B and C, Council authorize the General Manager of Engineering Services and the Manager of Supply Management to accept the tender, in part, as described herein, of Emco Corporation for the supply and delivery of waterworks brass fittings for a term of three years, at an estimated total cost of \$738,621.00 plus the 5% Goods and Services Tax (less any municipal rebate received) and Provincial Sales Tax (where applicable), and in their discretion to renew the contract for one or two additional twelve month terms.
- B. THAT the Manager of Supply Management be authorized to execute and deliver on behalf of the City all legal documents required to implement Recommendation A.
- C. THAT all such legal documents be on terms and conditions satisfactory to the General Manager of Engineering Services, the Manager of Supply Management and the Director of Legal Services.

COUNCIL POLICY

The policy of Council is to award contracts for the purchase of equipment, supplies and services that will give the highest value based on quality, service and price. Contracts with a value over \$300,000 are referred to Council.

PURPOSE

To seek approval to enter award to Emco Corporation a three year contract for the supply and delivery of waterworks brass fittings for the City's waterworks construction and maintenance programs, with the possibility of two twelve month extensions.

BACKGROUND

The City maintains over 100,000 connections to our water system. Approximately 90% of these connections use brass fittings to connect the copper water service pipe that feeds homes and businesses to the City's water mains. The brass fittings are used for new home connections and to repair or replace existing water services.

DISCUSSION

On March 18, 2009, the City issued an Invitation to Tender ("ITT") for the supply and delivery of waterworks brass and screwed brass fittings. In addition to giving notice of the ITT to current suppliers and other known vendors, the City published it on the City's and BC Purchasing Commission's websites and in the Journal of Commerce. Nine tenders were received and registered on Wednesday April 8, 2009 and were referred to the General Manager of Engineering Services and the Manager of Supply Management for evaluation and report.

During the evaluation, it was determined that none of the tenders met the ITT's requirements for the supply screwed brass fittings (Section IV of the specifications portion of the Part E - Form of Tender portion of the ITT). Therefore, for the purposes of this ITT, staff decided to remove those requirements from the evaluation process, and Staff recommend now that a contract be awarded as described herein for the ITT's remaining requirements (Sections I, II and III of the specifications portion of the Part E - Form of Tender portion of the ITT).

Staff will explore options as to how to proceed to obtain supplies of screwed brass fittings as detailed in Section IV of the specifications portion of the Part E - Form of Tender portion of the ITT.

For the remaining requirements, the tender pricing was based on one year estimated quantities and is presented in Table 1.

Table 1 - Tender PS09036 Bid Results

	Section I	Section II	Section III	Total
Bid 1	\$80,025	\$34,606	\$142,506	\$257,137
Bid 2	\$120,016	\$34,336	\$168,040	\$322,392
Bid 2 Alternate	\$77,103	\$33,022	\$136,082	\$246,207
Bid 3	\$77,890	\$33,352	\$137,526	\$248,768
Bid 4	\$80,435	\$34,986	\$144,091	\$259,512
Bid 5	\$78,559	\$30,739	\$141,777	\$251,075
Bid 5 Alternate	\$116,771	\$33,048	\$162,920	\$312,739
Bid 6	\$83,335	\$35,932	\$147,856	\$267,123
Bid 7	\$128,096	\$43,518	\$226,743	\$398,357

Bid 2 alternate (Emco Corporation) is the overall lowest bid meeting specifications and provides best value to the City for this tender call.

FINANCIAL IMPLICATIONS

This contract covers the Waterworks Brass fittings needs on an annual basis. The brass products will be purchased through Central Stores Operating funds and then charged out to the various Engineering Services Capital and Operating Budgets for waterworks infrastructure replacement and maintenance.

CONCLUSION

Accordingly, we recommend that the City enter into an agreement with EMCO Corporation for the supply and delivery of waterworks brass fittings (section I, II and III) for a term of three (3) years with the option for two (2) subsequent twelve (12) month extensions.

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