



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: August 28, 2009
Author: Michael Irvine
Phone No.: 604.871.6603
RTS No.: 08311
VanRIMS No.: 08-2000-20
Meeting Date: September 22, 2009

TO: Vancouver City Council

FROM: General Manager of Engineering Services
Manager of Supply Management

SUBJECT: Award of Tender PS09026 - Supply and Delivery of Ductile Iron Cement
Mortar Lined Waterworks 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, as described herein, of Fred Surridge Ltd. for the supply and delivery of ductile iron cement mortar lined waterworks fittings for a term of three years, at an estimated total cost of \$1,379,457.42 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 award to Fred Surrige Ltd. a three year contract for the supply and delivery of ductile iron cement mortar lined waterworks fittings for the City's waterworks construction and maintenance programs, with the possibility of two (2) subsequent twelve (12) month extensions.

BACKGROUND

The Engineering Services Department has an ongoing distribution water main replacement program that renews infrastructure based on age, failure history, and material type. This program replaces approximately 11,000 metres of City water main per year resulting in a 0.8% annual system replacement rate. This purchase also provides fittings for new service connections and for water main repairs.

DISCUSSION

On April 6, 2009, the City issued an Invitation to Tender ("ITT") for the supply and delivery of ductile iron cement mortar lined waterworks 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 Bid's websites. Six companies submitted bids and one also submitted an alternate bid, for a total of seven responses. The tenders were received on Tuesday, April 28, 2009, and registered on Wednesday April 29, 2009, and were referred to the General Manager of Engineering Services for evaluation and report.

As per the stated terms in the ITT, a complete and impartial evaluation of all submissions was conducted.

The tender pricing was based on one year estimated quantities and is presented in Table 1.

Table 1 - Tender PS09026 Bid Results

	Bid 1*	Bid 2	Bid 3	Bid 4	Bid 5	Bid 6	Bid 6 Alternate
Total	\$457,281.80	\$517,105.80	\$505,469.10	\$612,109.00	\$524,229.90	\$640,107.80	\$459,819.14

*Bid 1 did not submit pricing for all items and was considered to be incomplete.

Bid 6 alternate is the overall lowest bid meeting specifications and provides best value to the City for this tender call.

FINANCIAL IMPLICATIONS

This contract covers Waterworks' ductile iron cement mortar lined fittings needs on an annual basis. The ductile iron 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 Fred Surridge Ltd. for the supply and delivery of ductile iron cement mortar lined waterworks fittings for a term of three (3) years with the option for two (2) subsequent twelve (12) month extensions.

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