



ADMINISTRATIVE REPORT

Report Date: January 16, 2015
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Meeting Date: February 18, 2015

TO: Standing Committee on Planning, Transportation and Environment
FROM: General Manager of Engineering Services and Chief Purchasing Official
SUBJECT: Contract Award for Cutting and Coring Services

RECOMMENDATION

- A. THAT Council authorize City staff to negotiate to the satisfaction of the City's General Manager of Engineering Services, City's Director of Legal Services and the City's Chief Purchasing Official and enter into a contract with Pacific Cutting and Coring Ltd. for cutting and coring services, for a term of three (3) years, with the option to extend for two (2) additional one (1) year terms, with an estimated contract value of \$2,975,400 plus applicable taxes over the initial three-year term, to be funded by the approved capital and operating budgets of the departments using this service.
- B. THAT the Director of Legal Services be authorized to execute on behalf of the City the contract contemplated by Recommendation A.
- C. THAT no legal rights or obligations will be created by Council's adoption of Recommendations A and B above unless and until such contract is executed by the Director of Legal Services.

REPORT SUMMARY

The City issued RFP PS20140734 in August 2014 for cutting and coring services. The RFP was advertised on City of Vancouver website and BC Bid and the work was called in accordance with the terms and conditions of the City's Procurement Policy AF-015-01. City staff on the RFP evaluation committee, and, subsequently, the Bid Committee have considered the responses received and, on that basis, recommend that the City negotiate and, if such negotiations are successful, enter into a contract as described above with Pacific Cutting and Coring Ltd.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The City's Procurement Policy AF-015-01 requires that contracts with values over \$2 million must be approved by Council following review and recommendations by the Bid Committee. The Bid committee has considered and recommended Pacific Cutting and Coring Ltd. as the successful proponent.

REPORT

Background/Context

The City's department of Engineering Services requires cutting and coring services (also known as concrete sawing) on a daily basis. This sawing service is utilized when City crews require access to City assets that are located beneath or behind hard surfaces such as concrete or asphalt.

The purpose of the RFP was to identify and select a supplier who meets the City's requirements with a demonstrated capability to supply the City's estimated demand for cutting and coring services over the term of the contract with competitive pricing.

Strategic Analysis

The RFP was issued in accordance with the City's Procurement Policy. The City received responses from five (5) vendors in response to the RFP. The responses were evaluated through the work of an evaluation team comprised of representatives from Engineering Services under the stewardship of Supply Chain Management to ascertain which response offered best overall value to the City. Both quantitative and qualitative factors were evaluated.

Some of the Criteria considered in the overall evaluation process included:

- Financial offering
- Quality Programs
- Safety Compliance
- Technical Capabilities, Acceptable Equipment and Fleet
- Demonstrated Service Levels and Service Support
- Financial and Risk Management
- Sustainability

Based on the overall evaluation, the team concluded that the proposal submitted by Pacific Cutting and Coring Ltd. best met the City's requirements and provided best overall value to the City.

Financial Implications

Finance has reviewed the financial information and confirmed that funding for the contract will be available through the approved Capital and Operations budgets recovered through Engineering Branches for years 2015 to 2017. As a result of the RFP

process, based on historical usage the City is forecasting a savings of approximately \$1,995,075 over the initial 3 year term.

Legal

The City's Procurement Policy requires that contracts awarded by Bid Committee with values of over \$2 million must be concurred on by the Director of Legal Services.

CONCLUSION

In summary, City staff recommends that the City of Vancouver negotiate and enter into a three (3) year contract, with the option to extend the contract for an additional two (2) one (1) year terms, with Pacific Cutting and Coring Ltd., for cutting and coring services.

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