



REPORT

Report Date: June 14, 2023
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Meeting Date: June 28, 2023

TO: Standing Committee on Policy and Strategic Priorities

FROM: General Manager of Engineering and Chief Procurement Officer

SUBJECT: Contract Award for PS20220147-ENG-RFP - Supply and Delivery of Copper Pipe, Saddles and Brass Fittings

RECOMMENDATION

- A. THAT Council authorize City staff to negotiate and enter into a contract with Flocor Inc., for supply and delivery of copper pipe, saddles and brass fittings, for a term of three (3) years, with the option to extend the term for three (3) additional periods of two (2) years each, with an estimated contract value of \$3,810,059, plus applicable taxes over the initial three-year term, to be funded through the approved 2023 – 2026 Engineering Capital Plan.
- B. THAT the Director of Legal Services, Chief Procurement Officer and General Manager of Engineering 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 authorized signatories of the City as set out in these Recommendations.

REPORT SUMMARY

On January 31st, 2023, the City issued its Request of Proposals No. PS20220147-ENG-RFP (the "RFP") seeking proposals for the supply and delivery of copper pipe, saddles and brass fittings used in construction of water and sewer infrastructure. The RFP was posted on the City of Vancouver e-Sourcing platform and the work was called in accordance with the terms and conditions of the City's Procurement Policy ADMIN-008. 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 Flocor Inc.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The City's Procurement Policy ADMIN-008 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 Flocor Inc., as the successful proponent

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

REPORT

Background/Context

The City of Vancouver warehousing center located at Manitoba Yard - Central Stores manages and provides inventory of copper tube, waterworks service saddles, and waterworks brass and screwed brass fittings in support of the operational needs of the Engineering Services - Water and Utilities Management Division and Urban Watersheds and Sewer and Drainage Division. The primary usage of the copper tube, saddles and brass is for water main construction and service connection installations.

The purpose of the RFP is to select a qualified vendor with the capability and experience to efficiently and cost-effectively supply and deliver copper tube, waterworks service saddles, and waterworks brass and screwed brass fittings, on an, if and when required basis, and as per the requirements set out in the RFP.

The scope of the contract will cover three categories as listed below for supporting capital installations and renewals and operation and maintenance of City's drinking water system and infrastructure by Engineering Services:

- Copper Pipe;
- Waterworks Service Saddles; and
- Waterworks Brass and Screwed Brass Fittings.

Strategic Analysis

The RFP was issued publicly in the accordance with City's Procurement Policy ADMIN-008. The City also notified directly eight known suppliers in the market and received responses from five of them:

- EMCO Corporation ("EMCO")
- Andrew Sheret Limited ("Andrew Sheret")
- Flocor Inc. ("Flocor")
- Fujii, Brian ("Fujii")
- Iconix Waterworks ("Iconix")

Andrew Sheret and Fujii submissions were considered non-compliant because no technical proposals were submitted. The responses were evaluated through the work of an evaluation team comprised of staff in Engineering Services (Waterworks Design, Waterworks Operations) and Supply Chain Management (Store Operation) under the stewardship of Supply Chain Management to ascertain if the responses offered good 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;
- Supplier's capability, knowledge and experience;
- Ability to meet the City's requirements, including ability to offer a wide array of quality products, warranties on products offered, demonstrated service levels (reporting, delivery requirements, surplus obsolete products management, vendor-managed inventory solutions, back-orders, returns and restocking etc.), and quality programs in place;
- Ability to adhere to City values, including sustainability.

Based on the overall evaluation, the team concluded that the proposal submitted by Flocor Inc. best met the City's requirements and provided best overall value to the City.

Financial Implications

Financial Planning & Analysis (FP&A) has reviewed the cost of the goods and/or service and concurs that funding is available from the Multi-Year approved budget from a combination of programs: the Waterworks Distribution Main Replacement, Transmission Main Replacement, Aging Service Replacement and New Water Commercial and Residential Connections capital programs. In formulating the 2023-2026 Capital Plan, cost increases were anticipated in this commodity; it is expected that program budgets can manage these cost increases within existing project contingencies, without a material impact to overall planned deliverables.

As a result of the RFP, the City is able to achieve cost certainty over the initial three (3) - year contract term.

Environmental Implications

The recommended supplier has completed and agreed to the City's Supplier Code of Conduct and is committed to the sustainable business practices.

Legal Implications

The City's Procurement Policy requires that all contracts that have been awarded by Bid Committee and Council will be signed by the Director of Legal Services.

CONCLUSION

In summary, City staff recommends that the City of Vancouver negotiate and enter into a three (3) years contract, with the option to extend the contract for three (3) additional periods of two (2) year terms each, with Flocor Inc, for supply and delivery of copper pipe, saddles and brass fittings.

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