

COUNCIL REPORT

Report Date:June 20, 2025Contact:Alexander RalphContact No.:604-829-2092RTS No.:17971VanRIMS No.:08-2000-20Meeting Date:July 23, 2025Submit comments to Council

TO: Standing Committee on City Finance and Services

- FROM: General Manager of Engineering Services and Chief Procurement Officer
- SUBJECT: Contract Award for Supply and Delivery of Water Meter Assemblies

Recommendations

- 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 Procurement Officer and enter into a contract with Fred Surridge Ltd. ("Fred Surridge") for supply and delivery of water meter assemblies for a term of three (3) years, including options for the City to extend for three (3) successive two (2)-year terms, with an estimated contract value of \$3,602,328 plus applicable taxes over the potential maximum nine (9) year term, to be funded from the approved Multiyear Capital Budget for the 2023-2026 New Water Meter and 2023-2026 Water Meter Replacement program with Engineering Services.
- B. THAT the City's Chief Procurement Officer, General Manager of Engineering Services, and Director of Legal Services be authorized to execute the contract described in Recommendation A on behalf of the City.
- C. THAT no legal rights or obligations will be created by Council's adoption of Recommendations A and B unless and until all legal documentation has been executed and delivered by the respective parties.

Purpose and Executive Summary

The City requires pre-assembled water meter assemblies that enable the Waterworks Operations group to install water meters in support of housing and redevelopment and coordinate water meter installations with existing capital infrastructure programs. The City issued a Request for Proposal ("RFP") No. PS20251137-ENG-RFP on April 23, 2025, for Supply and Delivery of Water Meter Assemblies. The purpose of this RFP is to meet the ongoing requirement for pre-assembled water meter assembly packages to support installations in new and renovated single-family homes, as well as to facilitate the City's Accelerated Water Metering Program. The City advertised the RFP on the City of Vancouver website and BC Bid in accordance with 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 recommend that the City negotiate an agreement with Fred Surridge.

Council Authority/Previous Decisions

The City's Procurement Policy (ADMIN-008) requires Council approve contracts with a total value greater \$3,000,000 following review and recommendations by the City's Bid Committee. The Bid Committee has considered the bids and recommends Fred Surridge as the successful proponent.

There is no applicable Council authority or previous decisions related to this report.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

As of 2012, all new and or renovated single family homes are required to install a water meter. Water meters are an important aspect of the City's Water Demand Management Strategy since they accurately measure the amount of water a property uses. Compatible meter reading systems then read and provide water consumption data for billing and water demand management purposes.

The City's Department of Engineering Services, Waterworks Design and Waterworks Operations, require a reliable vendor and ongoing supply for pre-assembled water meter assemblies that will enable the Waterworks Operations group to install water meters in support of housing and redevelopment in the city and coordinate water meter installations with existing capital infrastructure programs, to better manage water demand, reduce system losses, and conserve valuable internal resources, while maintaining high standards of product quality and workmanship.

The purpose of the RFP was to identify a supplier with the capability to meet the City's requirements for supply and delivery of water meter assemblies while offering a competitive price and satisfactory service. Meter assembly specifications include positive displacement water meters that offer enhanced durability, high measurement accuracy, and require minimal maintenance. Specific technical and service requirements including delivery lead-time, size, type, materials, compliance to specifications and American Water Works Association ("AWWA") standards, and compatibility with the City's remote registration system were specified in the RFP.

The pre-assembled water meter assemblies are fully compatible with meter reading hardware/software systems, including our current Automatic Meter Reading (AMR) system and future Advanced Meter Infrastructure (AMI) system.

Discussion

The RFP was issued in accordance with the City's Procurement Policy (ADMIN-008).

The City received 2 responses from the following vendors:

- Iconix Waterworks LP ("Iconix")
- Fred Surridge Ltd. ("Fred Surridge")

The responses were evaluated, using both quantitative and qualitative factors, by a team comprised of representatives from Engineering Services, Waterworks Design and Waterworks Operations, under the stewardship of Supply Chain Management, to assess each response's overall value.

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

- Products comply with the City's water meter specifications and the current American Water Works Association ("AWWA") standards;
- Competitive pricing;
- Ability to meet the City's service requirements, including but not limited to, delivery lead time, supplier's inventory level, account management, minimum order, back-order, and product warranty and replacement;
- The proponent's company experience, reputation, and history of success; and
- Demonstrated ability to adhere to sustainability values and requirements.

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

Financial Implications

Finance has reviewed and confirmed that funding for the initial term of the contract is secured through the approved Multiyear Capital Budget for the 2023-2026 New Water Meter and 2023-2026 Water Meter Replacement program with Engineering Services. Future extension of the contract will be on an if and when needed basis depending on available approved budget. It should be noted that the quantities outlined in the RFP are estimates and may vary based on actual needs and the approved budget. As a result of the RFP, the City is able to achieve cost certainty for the proposed initial three-year contract term.

Legal Implications

The City's Procurement Policy (ADMIN-008) requires the Director of Legal Services to execute all contracts with a total value greater than \$3,000,000 that have been awarded by the Bid Committee and Council.

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