

NO: **R025**

COUNCIL DATE: **February 18, 2013**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **February 13, 2013**

FROM: **General Manager, Engineering**

FILE: **2320-20(Sewer Video)**

SUBJECT: **Award of Contract No. 1220-040-2012-054
Sanitary Sewer Video and Inspection Program**

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract 1220-040-2012-054 to Mar-Tech Underground Services Ltd. in the amount of \$1,367,283.68, including applicable taxes, to carry out over a three-year period the Sanitary Sewer Video Inspection Program; and
2. Set the expenditure authorization limit for Contract 1220-040-2012-054 at \$1,504,000, including applicable taxes.

SCOPE OF WORK

This annual preventative maintenance services contract involves the supply and delivery of labour and equipment to inspect the sanitary sewer system and identify structural, operational and maintenance defects within system. These defects can, for example, allow inflow and infiltration (I&I) into the system and create blockages that can result in system problems including back-ups and flooding to both private and public property. The process also allows cross-connections between the drainage system and the sanitary sewer system to be identified and corrected.

The contract work involves flushing, video inspecting and debris removal from sanitary sewer mainlines and service connections over a three-year period.

A Request for Quotations notice in relation to this contract was posted on the BC Bid website. Staff also directly notified contractors who were viewed as having the necessary expertise and equipment.

QUOTATION RESULTS

Quotations for the subject contract were opened on December 18, 2012, with the following results.

<i>Contractor</i>	<i>Total Quotation Incl. Applicable Taxes</i>	<i>Corrected Amount</i>
1. Mar-Tech Underground Services Ltd.	\$1,367,283.68	No Change
2. Superior City Services Ltd.	\$1,654,576.00	\$1,730,226.40

The City's pre-quotation estimate was \$1,386,965.44 including applicable taxes.

EVALUATION

An evaluation team involving staff from the Finance & Technology Department and the Engineering Department reviewed the quotations. One of the quotations that was received included a departure from the contract requirements, which resulted in an incomplete price and therefore that quotation was deemed non-compliant. Arithmetic errors were found in one of the remaining quotation submissions that had no bearing on the outcome of the quotation process. Mar-Tech Underground Services Ltd. submitted the low quotation that was fully compliant.

Mar-Tech Underground Services Ltd.'s past performance on similar work has been satisfactory and they have no outstanding legal claims against the City. It is recommended that Mar-Tech Underground Services Ltd. be awarded Contract No. 1220-040-2012-054.

SUSTAINABILITY CONSIDERATIONS

The subject contract will assist in achieving the goals and objectives of the City's Sustainability Charter; more particularly, the following Charter scope action items:

- EC₃: Sustainable Infrastructure Maintenance and Replacement; and
- EN₁₃: Enhancing the Public Realm.

FUNDING

Funding for this contract is available in the approved Utility Operating Budget.

CONCLUSION

Based on the above discussion, it is recommended that Council:

- Award Contract 1220-040-2012-054 to Mar-Tech Underground Services Ltd. in the amount of \$1,367,283.68, including applicable taxes, to carry out over a three-year period the Sanitary Sewer Video Inspection Program; and
- Set the expenditure authorization limit for Contract 1220-040-2012-054 at \$1,504,000, including applicable taxes.

Vincent Lalonde, P.Eng.
General Manager, Engineering

VL/GMc/TA/brb

c.c. - General Manager, Finance & Technology