

NO: R250

COUNCIL DATE: November 21, 2016

---

## REGULAR COUNCIL

**TO: Mayor & Council** **DATE: November 15, 2016**

**FROM: General Manager, Engineering** **FILE: 2320-20 (Sewer Reline)**

**SUBJECT: Award of Contract No. 1220-040-2016-106**  
**Sanitary Sewer Small Diameter Pipe Reline Program**

---

## RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract 1220-040-2016-106 to Mar-Tech Underground Services Ltd. in the amount of \$514,027.87, including applicable taxes, to carry out the Sanitary Sewer Small Diameter Pipe Reline Program at the locations illustrated in Appendix "I";
2. Set the expenditure authorization limit for Contract 1220-040-2016-106 at \$565,500.00, including applicable taxes and contingency; and
3. Authorize the General Manager, Engineering to execute Contract 1220-040-2016-106.

## SCOPE OF WORK

This pipe infrastructure rehabilitation contract involves the supply and delivery of labour, materials and equipment for pipe relining of sanitary sewer mains (1,231 metres) and service connections (480 metres) in the area reflected in the attached Appendix "I". Services will also include flushing and pre and post pipe video inspection. This contract represents the second phase of the program; in 2015, Engineering initiated the first phase of the pipe reline program which was located within the same area of the City. The first phase works were successfully completed earlier this year.

The rehabilitation work falls within an area of the City where asbestos cement sewer pipe is prevalent and a high number of emergency sewer repairs have been carried out over the years by the City due to the high frequency in failures of this type of pipe material. Asbestos cement pipe was installed extensively between the 1940's and the mid-1980's, as it was considered a durable and inexpensive pipe material for wastewater collection and potable water distribution systems. It was discovered that, over time, asbestos cement pipe breaks down due to continuous contact with materials both inside and outside of the pipe, including potable water, wastewater, soil and/or groundwater. Typically, it has been found that the cement mortar contained in the pipe walls leaches out, leaving behind a weakened region of asbestos fibers.

This contract work is necessary to, renew the life of the system within the areas identified in Appendix "I". Trenchless technology pipe relining will be deployed to conduct the pipe upgrades. This approach will minimize the installation cost, traffic impact, public disruption and devaluation of the asphalt road structure from trench cuts (compared to conventional open cut and excavation methods).

## RFQ RESULTS

In accordance with the Purchase and Expenditure Authorization By-law, a Request for Quotations (RFQ) was posted on the BC Bid and City of Surrey websites. Staff also directly notified contractors who were viewed as having the necessary expertise and equipment. Quotations for the subject contract were opened on October 17, 2016, with the following results:

	<b>Contractor</b>	<b>Total Quotation Amount Including Taxes</b>	<b>Corrected Amount</b>
1	Mar-Tech Underground Services Ltd.	\$514,027.87	No Change
2	Superior City Services Ltd.	\$530,565.00	No Change

The City's pre-quotation estimate was \$490,000, including applicable taxes.

## EVALUATION

The RFQ evaluation team, including staff from both the Engineering Department and Finance & Technology Department, reviewed the quotations for accuracy and completeness and no errors were found. No bid bond was required for this quotation. All submissions were signed on the Quotation Form and Summary Sheet of the Schedule of Quantities and Prices.

Mar-Tech Underground Services Ltd. (Mar-Tech) submitted the lowest quotation and was fully compliant with the contract specifications. Mar-Tech satisfactorily completed the phase one works in 2015/early 2016 and has successfully carried out similar work on behalf of the City in previous years. In addition, the City completed a review of references that provided positive feedback regarding similar works carried out by Mar-Tech in other municipalities. Mar-Tech has no outstanding legal claims against the City. Accordingly, it is recommended that Mar-Tech be awarded Contract No. 1220-040-2016-106.

## SUSTAINABILITY CONSIDERATIONS

This contract supports the objectives of the City's Sustainability Charter. In particular, the relining of sanitary mains and service connections that will be accomplished under this contract relates to the Sustainability Charter theme of Infrastructure by extending the service life, reducing operational and maintenance costs, and ensuring reliable on-going operation of the subject infrastructure. In addition, utilizing Trenchless Technology can lower the carbon footprint and potentially could create carbon credit. Specifically, this contract supports the following Desired Outcomes:

- All Infrastructure DO1: City facilities and infrastructure systems are well managed, adaptable and long lasting, and are effectively integrated into regional systems;
- Energy and Climate DO7: Per capita emissions are low, and align with global, national and provincial GHG reduction targets; and
- All Infrastructure SD1: Proactively manage community assets to maintain them over the long-term in a state of good repair.

## FUNDING

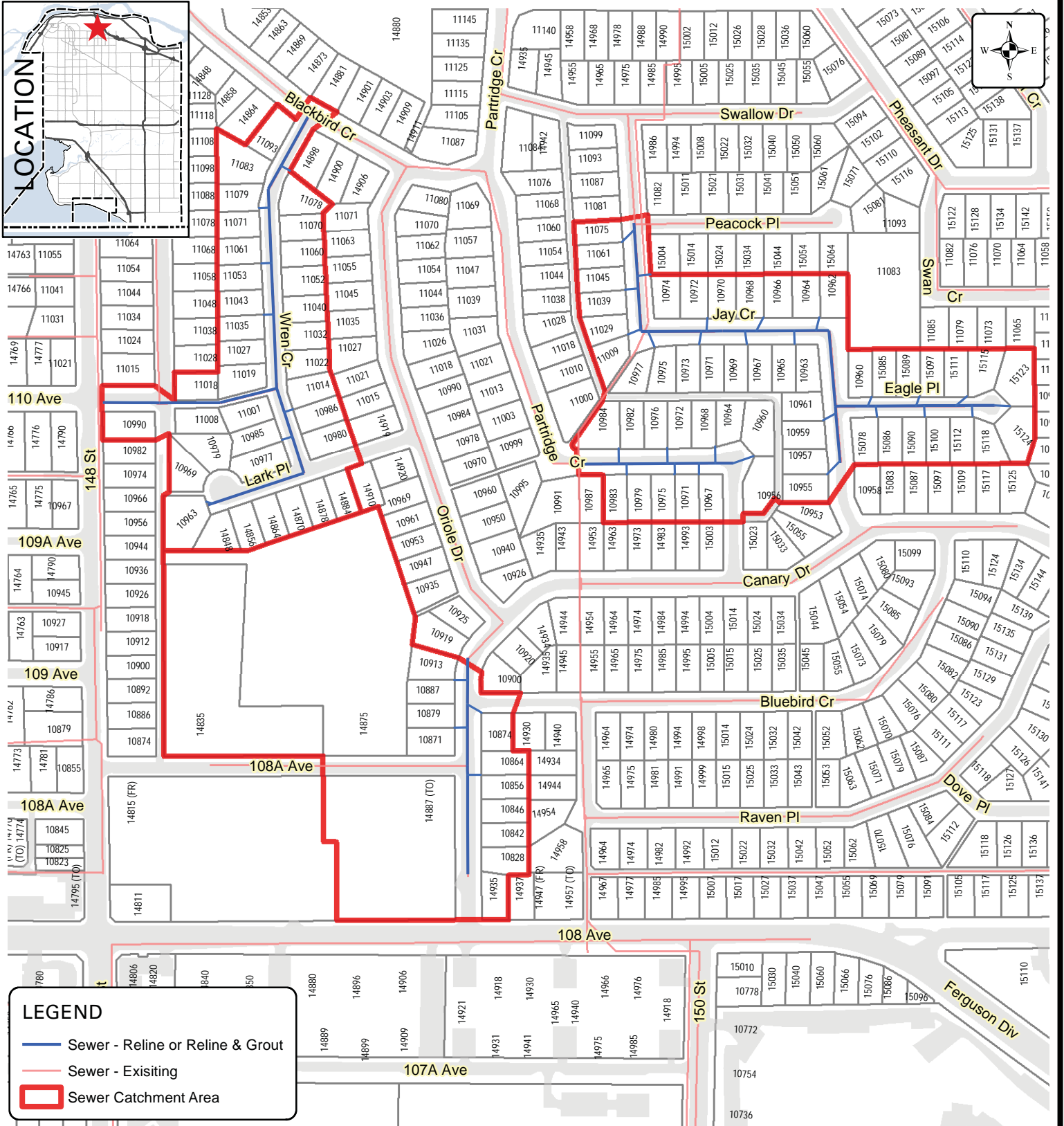
Funding for this contract is available in the approved Utility Operating Budget.

Fraser Smith, P.Eng., MBA  
General Manager, Engineering

RAC/TA/clr

Appendix "I" – Program Location

g:\wp-docs\2016\admin\cr\11030856-ta (vl).docx  
CLR 11/17/16 3:01 PM



Produced by GIS Section: 08-Nov-2016, C9W

Scale: 1:4,000 0 40 M



## CONTRACT 1220-040-2016-106 Small Diameter Sewer Reline

ENGINEERING  
DEPARTMENT