

NO: R227

COUNCIL DATE: November 6, 2017

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **November 2, 2017**

FROM: **General Manager, Parks Recreation & Culture** FILE: **8000-01**

SUBJECT: **Award of Contract 1220-030-2017-035
Pool Chemicals for Aquatics Facilities**

RECOMMENDATION

The Parks, Recreation, & Culture Department recommends that Council:

1. Award Contract 1220-030-2017-035 to ClearTech Industries Inc. ("ClearTech") in the amount of \$550,771 including GST, for the supply of pool chemicals for aquatics facilities;
2. Set the expenditure authorization limit for Contract 1220-030-2017-035 at \$606,000 including GST and contingency; and
3. Authorize the General Manager, Parks, Recreation & Culture, to execute a two (2) year contract with three (3) one-year optional extensions for a total of five (5) years in favour of the City, subject to satisfactory performance and any other related considerations to a maximum of \$606,000 including contingency, GST per and annual Consumer Price Index (CPI) rate increases.

BACKGROUND

The City's current contract with ClearTech, for supply of pool chemicals for our 6 indoor aquatic facilities has expired as of September 30, 2017. The City participated in a co-operative procurement process to award a new contract for the supply of pool chemicals through the Vancouver Regional Co-operative Purchasing Group (VRCPG).

The VRCPG is a group of local government entities that from time-to-time combine like requirements into a co-operative procurement to procure goods and services in the most economic manner possible.

With the addition of new aquatic facilities in 2015 and 2016, the annual expenditure for pool chemicals has increased to a level requiring Council approval.

DISCUSSION

The Invitation to Tender (ITT) was posted on the BC Bid website (Solicitation Number T 17-01) on May 12, 2017 and closed on June 5, 2017. The ITT was led by North Vancouver Recreation & Culture (NVRC).

There were four (4) tenders submitted as follows:

- ClearTech Industries Inc.;
- Brenntag Canada, Inc.;
- Univar Canada Ltd., and
- Waterhouse Environmental Services Corporation.

EVALUATION

Only ClearTech Industries Inc. and Brenntag Canada, Inc. supplied enough pricing information in their submissions to be evaluated. ClearTech is the only proponent to supply all chemicals used by Surrey's pools.

Submissions from Univar Canada Ltd. and Waterhouse Environmental Services Corporation did not provide enough pricing information for the City to generate a cost of ownership. Due to the incomplete pricing, these submissions were therefore removed from the evaluation process.

The ITT required 2-year fixed pricing for the initial contract term. Fixed pricing is important in the development of sustainable budgets. ClearTech. and Waterhouse Environmental Services Corporation responded positively to this requirement where the other proponents provided a shorter pricing model.

Based on the evaluation, staff recommend that ClearTech continue as the City's pool chemical provider and believe their submission will provide the best value for the following reasons:

- The cost of ownership between ClearTech. is virtually identical to the lowest submission (0.18% higher than Brenntag Canada, Inc.);
- Price comparisons favoured ClearTech. for 3 out of 5 commonly used products including liquid chlorine which accounts for 63% of our estimated annual costs;
- ClearTech. is the only proponent to supply all chemicals used by Surrey's pools;
- ClearTech provided two-year fixed pricing which was an ITT requirement; and
- ClearTech was the only vendor to offer safe chemical handling seminars for City staff.

SUSTAINABILITY CONSIDERATIONS

The subject contract will support the Community Theme of “Built Environment and Neighbourhoods” in particular, the following Desired Outcomes:

- DO13 Buildings are healthy and energy and resource efficient.
- DO15 All new buildings, public places and outdoor spaces are welcoming, safe and universally accessible.

FUNDING

The funding for this contract is available within the City’s Parks, Recreation & Culture Operating Budget.

Laurie Cavan
General Manager,
Parks, Recreation & Culture