

NO: R070

COUNCIL DATE: April 11, 2016

REGULAR COUNCIL

TO: Mayor & Council **DATE: March 22, 2016**

FROM: General Manager, Engineering **FILE: 2320-20 (I&I)**

SUBJECT: Award of Contract No. 1220-040-2016-016
Wastewater Sewer - Inflow and Infiltration Investigation Program

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract 1220-040-2016-016 to ABC Pipe Cleaning Services Ltd. in the amount of \$446,958.75, including applicable taxes, to carry out work for the Wastewater Sewer - Inflow and Infiltration Investigation Program at the locations illustrated in Appendix "I" with options in favour of the City to extend the contract for two additional one-year terms for a total three years at a cost of \$1,106,757.75; and
2. Set the three-year expenditure authorization limit for Contract 1220-040-2016-016 at \$1,220,000.00, including applicable taxes and contingency.

SCOPE OF WORK

This annual preventative maintenance services contract involves the supply and delivery of labour and equipment for the inspection and testing of the City's wastewater sewer system as a means to identify groundwater inflow and infiltration sources. The inflow and infiltration sources can adversely impact the capacity of the City's sewer lines, resulting in sewer back-ups and related liability to the City. The process also allows cross-connections between the storm sewer system and wastewater sewer system to be identified and corrected. In addition, this contract will act to identify the pipe condition and rate of deterioration of the City's wastewater collection infrastructure and will assist the City in meeting its obligation under the Regional Liquid Waste Management Plan.

The contract work involves video inspections of wastewater mains and service connections, manhole inspections, smoke testing, and sewer line flushing and cleaning for a period of one year. The contract includes options in favour of the City under which the City can extend the contract for two additional one-year periods. Staff will consider the award of these one-year extensions within the expenditure authority, as recommended, subject to satisfactory performance of the contractor and any other relevant considerations.

RFQ RESULTS

In accordance with the Purchase and Expenditure Authorization By-law, a Request for Quotations (RFQ) was posted on the BC Bid and the 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 February 9, 2016, with the following results:

	Contractor	First Year Quotation Including Taxes	Second Year Quotation Including Taxes	Third Year Quotation Including Taxes	Three-Year Total Including Taxes	Corrected Amount
1	ABC Pipe Cleaning Services Ltd.	\$446,958.75	\$360,045.00	\$299,754.00	\$1,106,757.75	No Change
2	Mar-Tech Underground Services Ltd.	\$440,045.97	\$399,436.63	\$320,890.03	\$1,160,372.63	No Change
3	Superior City Services Ltd.	\$565,713.75	\$497,164.50	\$353,579.63	\$1,416,457.88	No Change

The City's pre-quotation estimate was \$1,159,000.00 for the three-year total, including applicable taxes.

EVALUATION

The RFQ evaluation team, including staff from both the Engineering Department and the Finance & Technology Department, reviewed the quotations for accuracy and completeness. No errors or departures 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.

ABC Pipe Cleaning Services Ltd. submitted the lowest quotation for the three-year accumulative total and was fully compliant with the contract specifications. The City completed a review of references provided by ABC Pipe Cleaning Services Ltd., and their references indicate that ABC Pipe Cleaning Services Ltd.'s past performance on similar work has been satisfactory. ABC Pipe Cleaning Services Ltd. has no outstanding legal claims against the City. It is recommended that ABC Pipe Cleaning Services Ltd. be awarded Contract No. 1220-040-2016-016.

SUSTAINABILITY CONSIDERATIONS

The investigation of wastewater sewer mains, service connections and manholes under this contract will ensure reliable on-going operation of the subject infrastructure and will minimize operational and maintenance costs associated with the City's infrastructure. This is consistent with the following action items under the City's Sustainability Charter:

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

FUNDING

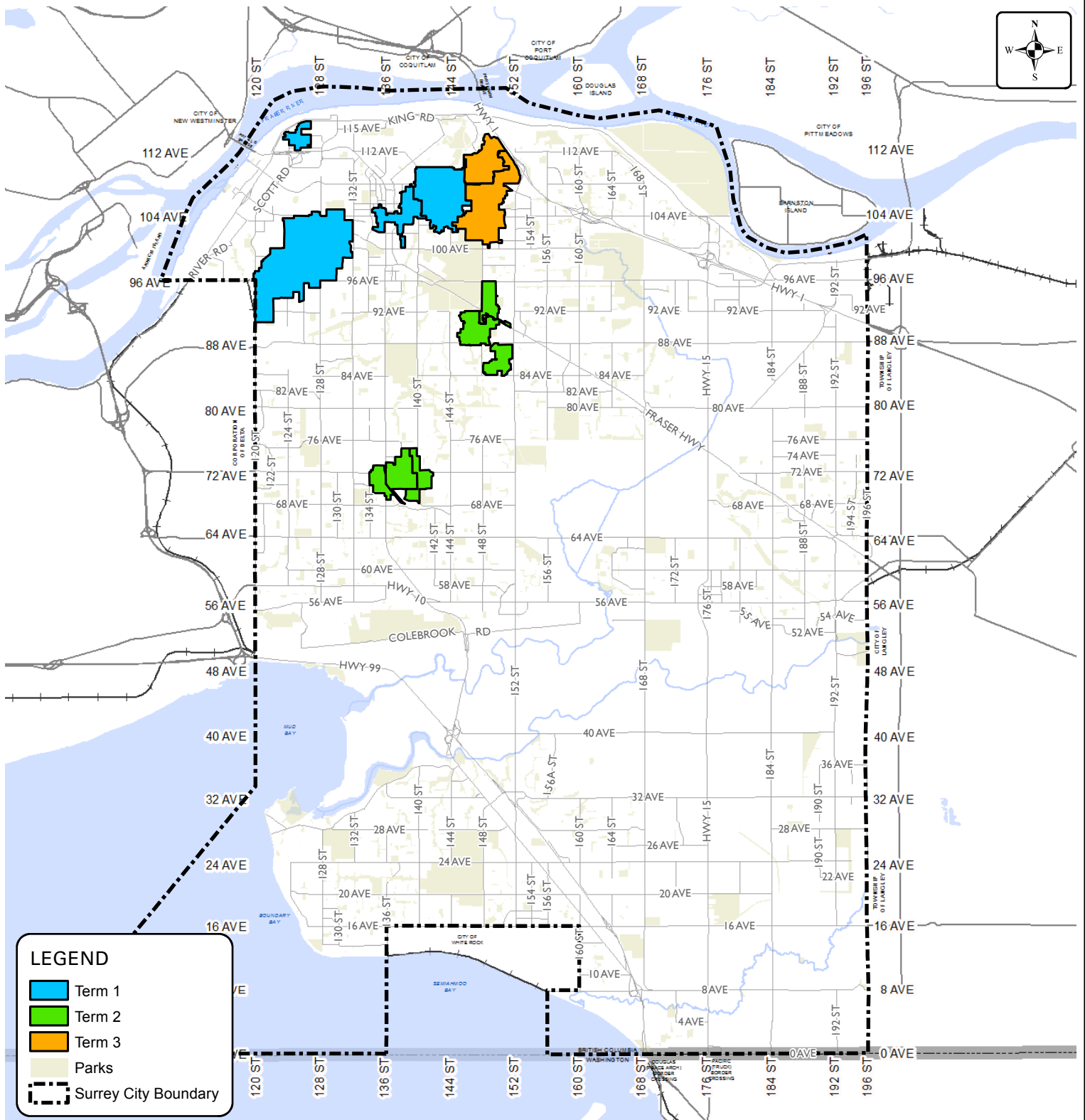
Funding for this contract is available in the approved Utility Operating Budget.

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

RAC/TA/clr

Appendix "I" - Project Location Overview

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Sanitary Terms

ENGINEERING DEPARTMENT