

NO: R033

COUNCIL DATE: February 25, 2019

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **February 21, 2019**

FROM: **General Manager, Engineering**

FILE: **1216-052/31**

SUBJECT: **Award of Contract RFQ 1220-040-2019-002
Supply and Delivery of Earthquake Resistant Ductile Iron Pipe**

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract No. 1220-040-2019-002 to EMCO Corporation in the amount of \$511,022.40 (including GST) for the supply and delivery of earthquake resistant ductile iron pipe;
2. Set the expenditure authorization limit for Contract No. 1220-040-2019-002 at \$563,000.00 (including GST and contingency); and
3. Authorize the General Manager, Engineering to execute Contract No. 1220-040-2019-002.

SCOPE OF WORK

As identified in the City's 10-Year Servicing Plan, there are water mains in North Surrey that are at the end of their service life and in need of replacement. The water mains in these locations are installed in soft ground conditions and can be impacted by seismic activity.

The City recently conducted a study to investigate products currently used in seismic zones throughout the world. This study concluded that earthquake resistant ductile iron pipe ("ERDIP") performed best both in lab simulations and actual earthquake events. ERDIP is specialized pipe which meets current earthquake design guidelines established by the International Organization for Standardization ("ISO") in ISO standard No. 16134. Based on the recommendations of this study, the City is seeking to pilot the use of this material before establishing it as a required material for use in seismically vulnerable areas.

This Contract involves the supply and delivery of 2,270 metres of ERDIP to replace aging water mains in North Surrey. The ERDIP will be installed by the City's Engineering Operations Division.

REQUEST FOR QUOTATION RESULTS

On February 2, 2019, a Request for Quotation (“RFQ”) was issued for the supply and delivery of 2,270 metres of ERDIP. The RFQ was posted on the City’s website and BC Bid. The following suppliers submitted quotes for two different pipe materials that both meet the ISO standard No. 16134:

Supplier	Equipment Offered	Tendered Amount Including Taxes	Corrected Amount
EMCO Corporation (Option 1)	TR Extreme	\$511,022.40	No Change
EMCO Corporation (Option 2)	Kubota GX	\$1,226,322.72	\$1,226,326.64
Corix Water Products LP	Kubota GX	\$1,283,912.00	No Change

EVALUATION

An evaluation team involving staff from the Engineering Department and the Finance Department reviewed the quotations for accuracy and completeness.

EMCO Corporation provided the low quotation for the full scope of the RFQ, which included satisfying ISO standard No. 16134. EMCO Corporation has previously supplied similar products to the City. Staff have found their products and service to be satisfactory. It is therefore recommended that EMCO Corporation be awarded Contract No. 1220-040-2018-015.

SUSTAINABILITY CONSIDERATIONS

The purchase and installation of ERDIP supports the objectives of the City’s Sustainability Charter 2.0. In particular, the purchase relates to the Sustainability Charter 2.0 theme of Infrastructure. Specifically, the purchase supports the following Desired Outcomes (“DO”) and Strategic Direction (“SD”):

- All Infrastructure Do1: City facilities and infrastructure systems are well managed, adaptable and long lasting, and are effectively integrated into regional systems;
- All Infrastructure Do2: Infrastructure systems provide safe, reliable and affordable services; and
- All Infrastructure SD2: Develop and manage out assets to adapt to technological change.

FUNDING

Funding for this contract is available in the approved 2019 Utilities Budget.

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

JA/NC/cc