

NO: R213

COUNCIL DATE: November 8, 2021

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **October 27, 2021**

FROM: **General Manager, Engineering** FILE: **2320-20**

SUBJECT: **Award of Contract No. 1220-040-2021-068**
Sanitary Sewer Video Inspection Program

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract No. 1220-040-2021-068 to Mar-Tech Underground Services Ltd. for the first term of the Sanitary Sewer Video Inspection Program at the Term 1 locations illustrated in Appendix "I", for an annual cost in year one of \$406,847.96 (including GST);
2. Approve the option to extend Contract No. 1220-040-2021-068 for two additional one-year terms at the City's sole discretion to provide video inspection services for the Term 2 and Term 3 locations illustrated in Appendix "II" and "III". The cumulative three-year cost for Contract No. 1220-040-2021-068 is \$1,084,913.78 (including GST);
3. Set the expenditure authorization limit for Contract No. 1220-040-2021-068 at \$450,000.00 (including GST and contingency) for Term 1; and
4. Authorize the General Manager, Engineering to execute Contract No. 1220-040-2021-068 and approve two optional one-year term extensions for Contract No. 1220-040-2021-068 within the approved expenditure authorization increases of \$460,000 (including GST and contingency) for Term 2 and \$290,000 (including GST and contingency) for Term 3, for a cumulative three-year expenditure authorization of \$1,200,000 (including GST and contingency).

INTENT

The intent of this report is to seek Council approval to award Contract No. 1220-040-2021-068 to Mar-Tech Underground Services Ltd. for sanitary sewer video inspection services for 2022. The Contract also includes options for the City to extend the contract for two additional one-year terms at the City's sole discretion

BACKGROUND

This Contract involves the supply and delivery of labour, material, and equipment for the video inspection of sanitary sewer mains, service connections, manhole inspections, smoke testing, and sewer line flushing and cleaning of the City's sanitary sewer system as illustrated on the maps attached as Appendix "I", "II" and "III".

The annual contract work is necessary to ensure the sanitary sewer system is operating efficiently to reduce the risk of emergency responses and to extend the life of the system by correcting the observed defects and deficiencies.

The inspections will focus on infrastructure of higher risk and significant age to identify structural, operational and maintenance defects and deficiencies that can adversely impact the operations of the City's sewer system, resulting in sewer back-ups and related liability to the City. In addition, the inspections will aid in formulating a sanitary sewer replacement plan for aging and failing infrastructure before complete failures occur.

DISCUSSION

In accordance with the Purchase and Expenditure Authorization Bylaw, a Request for Quotations was posted for the subject Contract on BC Bid and City websites. Quotations for the subject Contract were opened on October 13, 2021, with the following results:

	Contractor	1st year Quotation Including GST	2nd year Quotation Including GST	3rd year Quotation Including GST	3 Year Total Including GST
1	Mar-Tech Underground Services Ltd.	\$406,847.96	\$418,219.18	\$259,846.65	\$1,084,913.79
2	Dougness Holdings Ltd.	\$490,001.73	\$498,100.71	\$288,401.24	\$1,276,503.68
3	A&A Testing Ltd.	\$517,808.36	\$557,445.92	\$314,147.33	\$1,389,401.61

The City's pre-quotation estimate was \$ 1,389,086.22 for the three-year total of the Contract, including GST.

EVALUATION

The evaluation team, including staff from both the Engineering Department and Finance Department, reviewed the quotations for accuracy and completeness, with no errors or omissions found.

Mar-Tech Underground Services Ltd. submitted the lowest quotation and was fully compliant with the contract specifications. Mar-Tech Underground Services Ltd.'s past performance on similar work has been satisfactory. They have no outstanding legal claims against the City. It is recommended that Mar-Tech Underground Services Ltd. be awarded Contract No. 1220-040-2021-068.

SUSTAINABILITY CONSIDERATIONS

The work of this Contract supports the objectives of the City's Sustainability Charter 2.0. In particular, the services that will be performed under this Contract relates to the Sustainability Charter 2.0 theme of Infrastructure. Specifically, this Contract supports the following Desired Outcome ("DO") and Strategic Direction ("SD"):

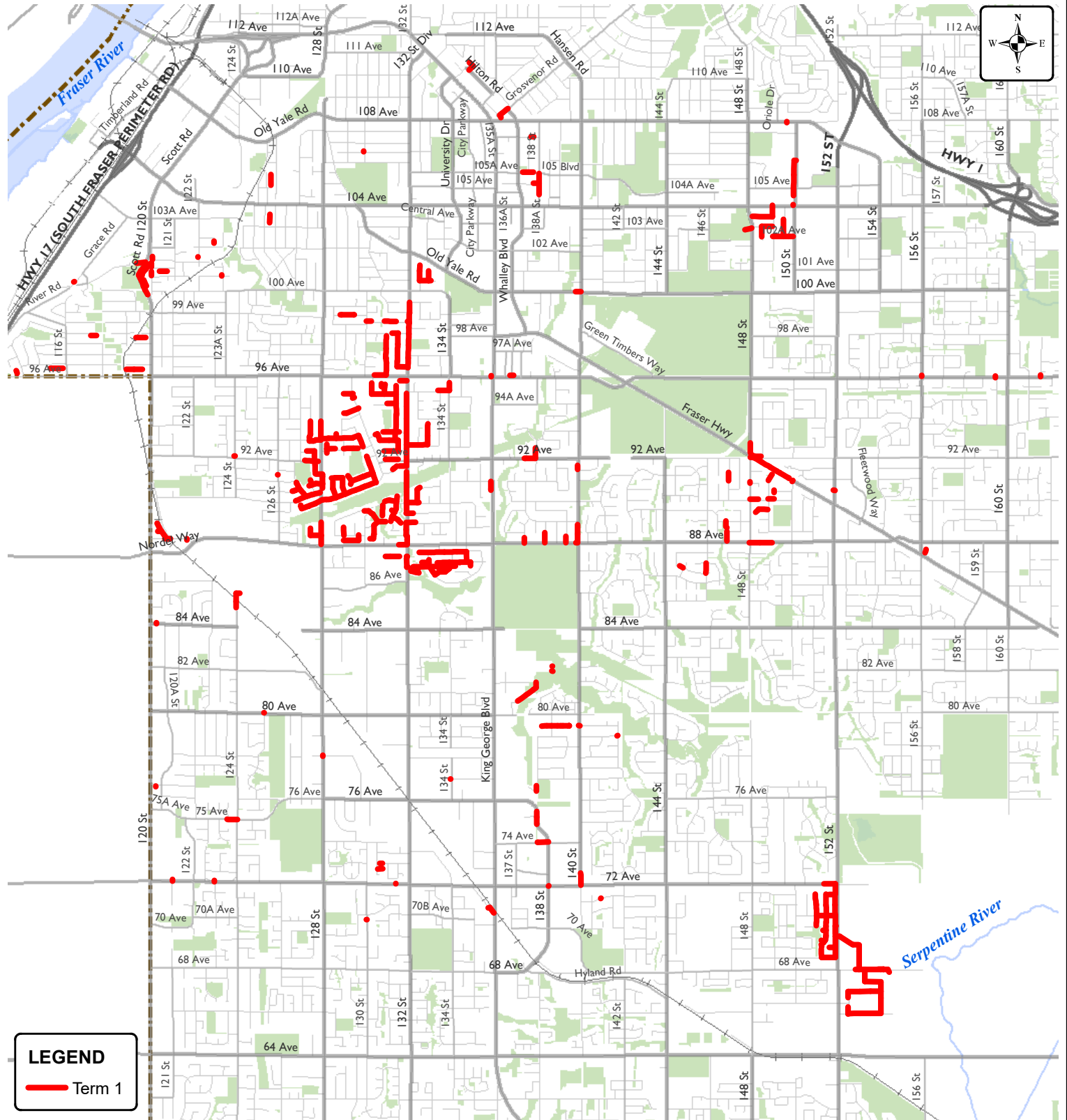
- All Infrastructure DO1: City facilities and infrastructure systems are well managed, adaptable, and long lasting, and are effectively integrated into regional systems; and
- All Infrastructure SD1: Proactively manage community assets to maintain them over the long-term in a state of good repair.

FUNDING

Funding for Term 1 of this Contract is available in the 2022 Sewer Utility operating budget. Funding for Terms 2 and 3 will be made available in future Sewer Utility operating budgets.

Scott Neuman, P.Eng.
General Manager, Engineering

Appendix "I": Term 1 Inspection Location Map
Appendix "II": Term 2 Inspection Location Map
Appendix "III": Term 3 Inspection Location Map



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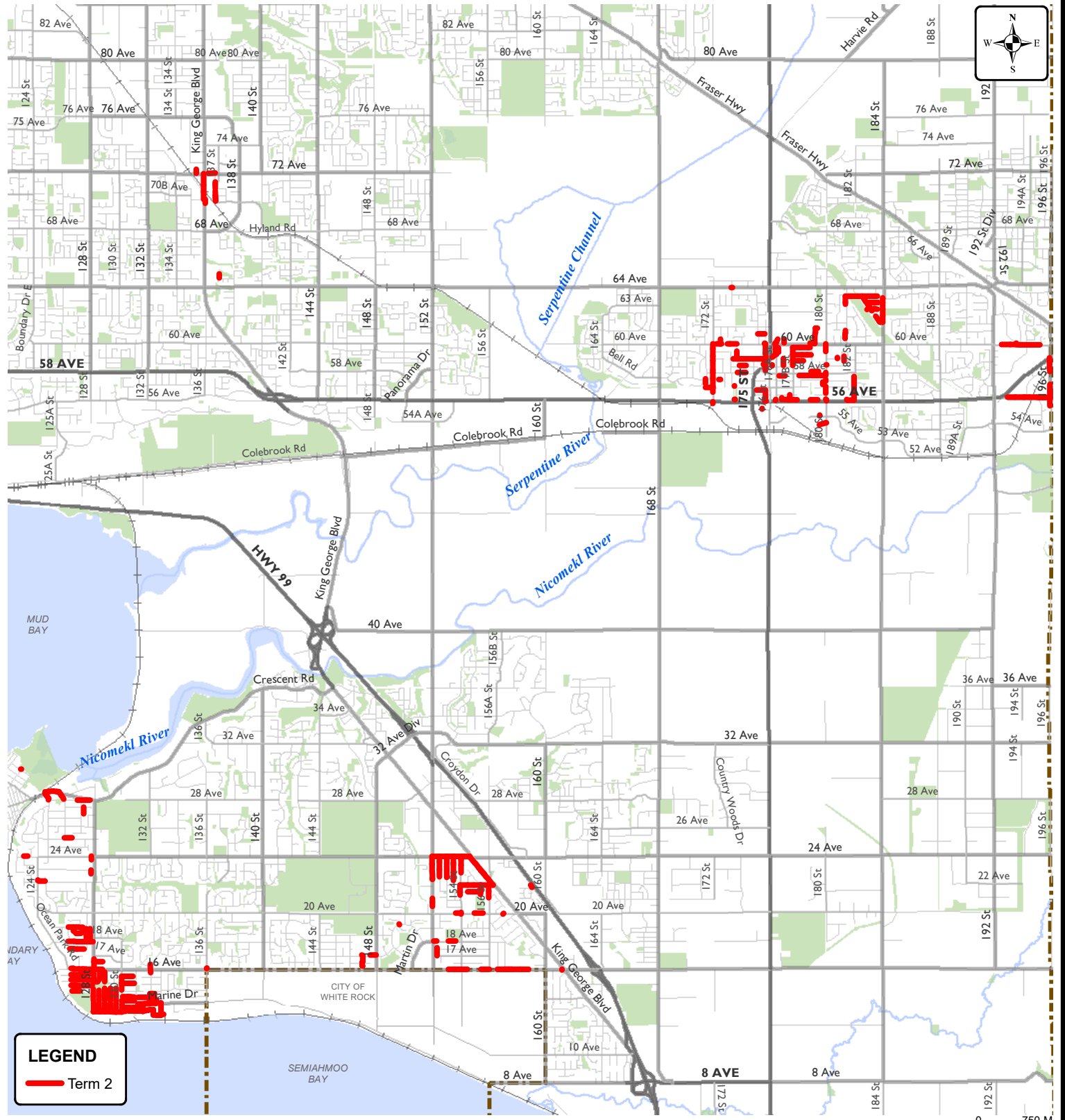
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Sanitary Sewer Video Inspection Program 1220-040-2021-068 Term 1

ENGINEERING
DEPARTMENT

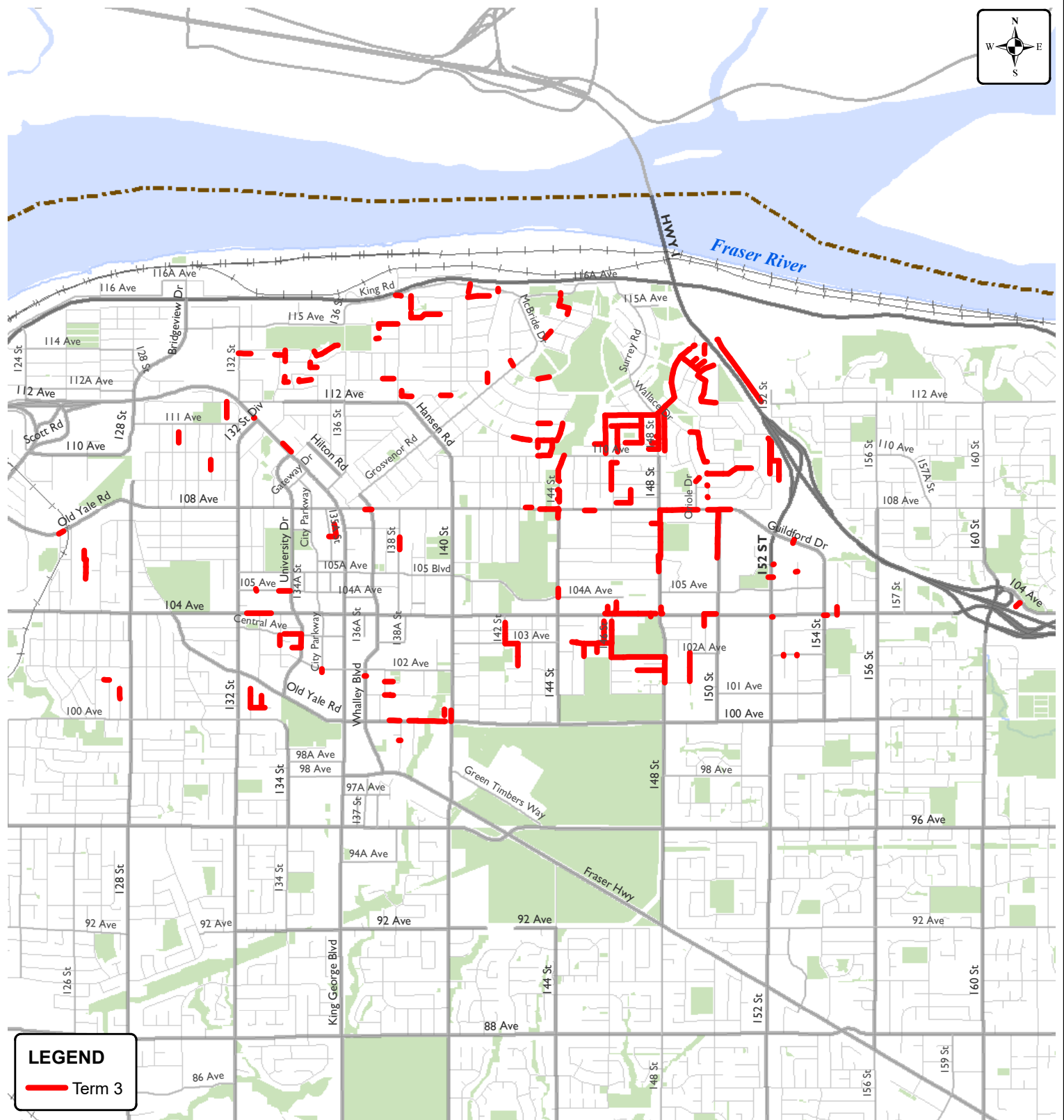
The data provided is compiled from various sources and IS NOT warranted as to its accuracy or sufficiency by the City of Surrey.
This information is provided for information and convenience purposes only.
Lot sizes, Legal descriptions and encumbrances must be confirmed at the Land Title Office.



Sanitary Sewer Video Inspection Program 1220-040-2021-068 Term 2

ENGINEERING
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LEGEND
— Term 3

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Sanitary Sewer Video Inspection Program 1220-040-2021-068 Term 3

ENGINEERING
DEPARTMENT

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