



# Corporate *NO: R055*

# Report *COUNCIL DATE: April 8, 2002*

<b>REGULAR COUNCIL</b>			
<b>TO:</b>	<b>Mayor &amp; Council</b>	<b>DATE:</b>	<b>March 27, 2002</b>
<b>FROM:</b>	<b>General Manager, Engineering</b>	<b>FILE:</b>	<b>4802-001-11 4802-004-00</b>
<b>SUBJECT:</b>	<b>Contract Award M.S. 4802-001-11, Spaans Babco Inc.</b>		

## RECOMMENDATIONS

1. That Contract M.S. 4802-001-11 be awarded to the low bidder, Spaans Babco Inc. in the amount of \$888,554.20 including provisional items and GST.
2. That authorization be given to acquire the provisional items, included in the tender, of additional pumps and annual inspections subject to budget approval by Council in 2003, 2004 and 2005, once the performance of first units and future requirements are determined.

## SCOPE OF WORK

Contract M.S. 4802-001-11 involves the acquisition of 10 screw pump units for 6 new lowland drainage pump stations. In total, 4 pumps will be acquired for 2002 with the remaining units to be acquired as options between 2003 and 2005, subject to budget availability and performance of the pumps in meeting the criteria for agricultural drainage.

## BACKGROUND

These pumps are for lowland drainage improvement at the Lower Serpentine and Nicomekl Serpentine River Basins between King George Highway and 168 Street. The acquisition is part of the strategy to lower the cost of new small pump stations. The strategy includes an innovative design, that has been led by City staff, based on using standard screw pump units for all the new small stations together with a simple cost-effective housing. The pumps arrive pre-assembled and the installation is much simpler than for a conventional pump station. Additionally, the standardized pump units can be removed and changed over in case of breakdown or

repair. The estimated budget to build a small pump station with these units is approximately 40% less than a conventional pump station. Compared with an average cost of \$1.2 million to build a conventional pump station, using the new simplified design and standardized units will save the City approximately \$2.9 million for the upcoming 6 new small pump stations.

## TENDER RESULTS

An open tender was advertised and the following tenders were received on March 18, 2002, with the results as follows:

<i>Contractor</i>	<i>Tendered Amount with GST</i>	<i>Corrected Amount</i>	<i>Complete Tender</i>
1. Spaans Babco Inc.	\$ 888,554.20	No Change	Yes
2. Lakeside Equipment Corp.	1,166,990.00	\$1,173,085.28	Yes
3. U.S. Filter Waste Inc.	2,984,117.17	2,984,117.23	Yes
4. Global Pump Marketing Inc.	690,714.85	695,228.45	No
5. Schreiber Corporation.	1,337,900.00	No Change	No

## EVALUATION

All tenders were checked for legal or mathematical errors. Of the 5 tenders, 2 did not provide a bid bond to secure the bid. According to the Instructions to Tenderers, the tender must be accompanied by the Bid Bond; therefore, the 2 tenders were not considered complete and were disqualified. Due to the relatively high number of disqualifications, we consulted with the Legal Services Division on our decision and they concurred. Since Global Pump Marketing Inc., who has the lowest tendered price, did not provide the bid bond, the first qualified low bidder is Spaans Babco.

Spaans Babco have been supplying screw pumps to the City and their products have been performing well with low maintenance.

Paul Ham, P. Eng.

General Manager, Engineering

PH/TH:brb

c.c. - General Manager, Finance, Technology & HR Dept.

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