



Corporate

NO: R174

Report

COUNCIL DATE: September 3, 2002

REGULAR COUNCIL			
TO:	Mayor & Council	DATE:	August 27, 2002
FROM:	General Manager, Engineering	FILE:	2320-20
SUBJECT:	Contract Award M.S. 7.1.02 "2002 Sanitary Sewer Rehabilitation Program - Small Diameter"		

RECOMMENDATION

That the "2002 Sanitary Sewer Rehabilitation Program – Small Diameter" be awarded to Mar-Tech Underground Services Limited in the amount of \$398,142.51, including contingency and G.S.T.

INTENT

The intent of this report is to obtain Council's approval to award the small diameter sanitary sewer rehabilitation contract.

DISCUSSION

This contract involves the supply and delivery of labour and material to determine storm water inflow and infiltration (I&I) sources and to perform sanitary sewer rehabilitation services to mitigate these sources. The contract work is necessary to meet I&I rate limits established under the regional Liquid Waste Management Plan. The following list provides a brief description of the main work required:

- Mainline, flushing, cleaning, air testing, grouting and sealing sewer joints, cracks, and openings.
- Manhole grouting and sealing manhole section joints, cracks and openings.
- Service Interface Reporting

- Pre and Post rehabilitation Closed Circuit Television (CCTV) inspections and reporting of the sanitary sewers.
- Smoke testing the sanitary sewers sections to detect both direct and indirect storm water inflow sources

A total of six contractors obtained the required tender documents for this contract, however, only one bid was ultimately received by the City (submitted by Mar-Tech Underground Services Limited).

The tender submitted by Mar-Tech in the amount of \$398,142.51 is approximately 22 % lower than the pre-tender estimate. The main difference between the pre-tender estimate and Mar-Tech's tender amount was due to the fact that the manhole rehabilitation cost was significantly lower than expected. Mar-Tech meets all the requirements and specification of the tender.

Mar-Tech have successfully completed several previous assignments for the City including the 2001 Service Grouting Program, and the 2000, 1999 and 1997 Sanitary Sewer Rehabilitation Programs. They have also performed similar work for the Cities of Vancouver, Victoria, Burnaby, Richmond and Delta. Mar-Tech is competent and experienced with sanitary sewer rehabilitation work.

A comparison with the 2001 unit rates was carried-out to ensure that the sole bidder, Mar-Tech's unit rates were in line with other previous contract unit rates. The comparison shows that many of the unit rates are lower than last year's low bid, and as such, represents a good value to the City for work contained within the contract. Based on their tender submission and past performance, it is recommended that the contract be awarded to Mar-Tech Underground Services Ltd.

FUNDING REQUIREMENTS & AVAILABILITY

Funding requirements for this program is estimated at \$410,000 and is available from the following funding sources:

Funding Available

Operations Maintenance:	\$210,000
Capital – I & I Repair Program:	<u>\$200,000</u>
	\$410,000

Paul Ham, P. Eng.

General Manager Engineering

TA/hf

c.c. - Manager, Operations

- Manager, Utilities

- Contracts & Solid Waste Manager

- General Manager, Finance, Technology & HR Dept.

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