



**To:** Public Works and Transportation Committee      **Date:** March 22, 2006  
**From:** Robert Gonzalez, P.Eng.  
 Director, Engineering      **File:** 10-6340-20-P.06601/Vol 01  
**Re:** **Contract T.2714 – City Centre, Bridgeport and Burkeville Sanitary Sewer Rehabilitation**

**Staff Recommendation**

That the City enter into a contract with the lowest bidder Mar-Tech Underground Services Ltd. for Contract T.2714 City Centre, Bridgeport and Burkeville Sanitary Sewer Rehabilitation for the total tendered amount of \$455,253.

Robert Gonzalez, P.Eng.  
 Director, Engineering  
 (4150)

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<b>ROUTED TO:</b>	<b>CONCURRENCE</b>	<b>CONCURRENCE OF GENERAL MANAGER</b>	
Budgets .....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	(ACTING)	
<b>REVIEWED BY TAG</b>	YES <input checked="" type="checkbox"/> <i>DW</i> NO <input type="checkbox"/>	<b>REVIEWED BY CAO</b>	YES <input checked="" type="checkbox"/> <i>AS</i> NO <input type="checkbox"/>

**Staff Report**

**Origin**

Tenders for rehabilitation of sanitary sewers in City Centre, Bridgeport and Burkeville areas were received on March 14, 2006 with only two bids received. Per Policy 3102.01, Council approval is required if less than three bids are received.

The purpose of this report is to request Council approval to enter into a contract with the lowest bidder, Mar-Tech Underground Services Ltd.

**Analysis**

The City has taken a proactive role with the sanitary sewer system whereby an extensive inspection program using Closed Circuit Television (CCTV) equipment has been ongoing since 2002. The primary purpose of this program is to identify sanitary sewer mainlines that are in need of immediate repair as well as to provide an overall condition assessment on the City's ageing infrastructure.

Sanitary sewer lines have been identified to be in need of repair through completion of the CCTV inspection program in the City Centre, Bridgeport and Burkeville areas. The majority of the repairs can be completed through trenchless methods at a considerably less cost to the City than through conventional open-cut construction.

Tenders to complete repairs using trenchless and open-cut methods were received on March 14, 2006. The call for tenders was publicly advertised including through BC Bid.

As per Policy Manual section 3102.01, *Purchasing and Publicly Tendered Contracts*, for Contracts valued at \$250,001 and over the CAO, together with the General Manager, Engineering and Public Works, can award the contract provided the conditions of the policy are met:

- the contract has been publicly tendered;
- the tendered amount is within the budget approved by Council for the project; and
- a minimum of three qualified tenders have been received.

As the third condition has not been met, i.e., only two bids were received, Council approval is required in order to award the contract.

The lowest bid received was from Mar-Tech Underground Services Ltd., as noted in Table 1.

**Table 1 – Contract T.2714 Tender Results**

Company / Contractor	Total Tender Price (GST excluded)
Mar-Tech Underground Services Ltd.	<b>\$ 455,253.00</b>
PW Trenchless Construction Inc.	<b>\$ 459,475.00</b>

The lowest bid received from Mar-Tech is within the cost estimated by staff and can be accommodated through funding previously approved by Council. Accordingly, staff recommends that award of Contract No T.2714 be made to Mar-Tech Underground Services Ltd.

**Financial Impact**

Funding is available through capital accounts previously approved by Council (refer to Attachment 1).

**Conclusion**

Staff recommends that the City enter into a contract with the lowest bidder, Mar-Tech Underground Services Ltd., in the amount of \$ 455,253.00 (GST excluded). Mar-Tech Underground Services Ltd., has successfully completed similar projects for the City in the past.



Jim V. Young, P. Eng.  
Manager Engineering Design and Construction  
(4610)

**Attachment 1**

Item	Funding Available/Costs
<b>Funding</b>	
City Centre Study Sanitary Sewer 2003 (40619)	\$ 75,707
City Centre/Fraser Sanitary Sewer 2004 (40624)	\$ 109,000
Bridgeport Sanitary Sewer 2004 (40628)	\$ 149,420
Bridgeport Study Sanitary Sewer (40637)	\$ 399,104
<b>Total Approved Funding</b>	<b>\$733,231</b>
<b>Costs</b>	
Mar-Tech (Contract T.2714)	\$455,253
Work by City Forces	\$80,000
Overhead (5%)	\$32,367
Terasen (Gas)	\$30,000
Hydro Electric	\$35,000
Tree Pruning	\$15,000
Contingency (5%)	\$32,381
<b>Total Cost</b>	<b>\$680,001</b>
<b>Balance</b>	<b>\$53,230</b>