



City of Richmond

Report to Committee

To Public Works & Transportation - Apr 20, 2006

To: Public Works and Transportation Committee **Date:** March 22, 2006

From: Robert Gonzalez, P.Eng.
Director, Engineering **File:** 03-1000-20-T.2714

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)

FOR ORIGINATING DIVISION USE ONLY			
ROUTED TO:	CONCURRENCE	CONCURRENCE OF GENERAL MANAGER	
Budgets.....	Y <input checked="" type="checkbox"/> N <input type="checkbox"/>	(ACTING)	
REVIEWED BY TAG	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	REVIEWED BY CAO	YES <input checked="" type="checkbox"/> 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.	\$ 455,253.00
PW Trenchless Construction Inc.	\$ 459,475.00

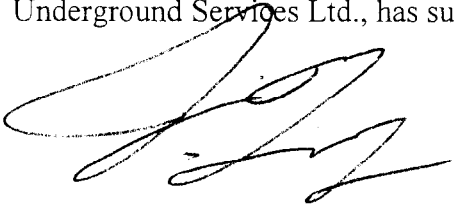
The lowest bid received from Mar-Tech is within the cost estimated by staff and can be accommodated through funding previously approved by Council. Accordingly, staff recommends that award of Contract No T.2714 be made to Mar-Tech Underground Services Ltd.

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.

A handwritten signature in black ink, appearing to read 'Jim V. Young', is written over the text of the conclusion section.

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

Attachment 1

Item	Funding Available/Costs
Funding	
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
Total Approved Funding	\$733,231
Costs	
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
Total Cost	\$680,001
Balance	\$53,230