

## **COMMITTEE OF THE WHOLE - MARCH 26, 2007**

### **TENDER AWARD – T07-013 SUPPLY AND INSTALLATION OF WATER, SANITARY AND STORM SEWER SERVICE CONNECTIONS – RESIDENTIAL, COMMERCIAL & INDUSTRIAL/INSTITUTIONAL**

#### **Recommendation**

The Commissioner of Engineering and Public Works, in consultation with the Purchasing Services Department, recommends:

1. That Tender T07-013 for the Supply and Installation of Water, Sanitary & Storm Sewer Service Connections for Residential, Commercial Industrial/Institutional be awarded to Direct Underground Inc. for the amount of \$ 541,989.66 per year for the possible term of 5 years; and
2. That the Mayor and Clerk be authorized to sign the necessary documents.

#### **Economic Impact**

This activity is fully funded by the developers, builders and homeowners applying for service connections and does not require additional funding from the Corporation. The estimated annual value of this contract is \$541,989.66, for an estimated total value of \$2,709,948.30 for the possible five year life of this contract ( 3 years + 2 years optional extension).

#### **Communications Plan**

N/A

#### **Purpose**

The purpose of this report is to award contract T07-013 for the Supply and Installation of Water, Sanitary & Storm Sewer Service Connections for Residential, Commercial Industrial/Institutional Applications.

#### **Background - Analysis and Options**

Municipal service connections to existing water mains and sanitary & storm sewers are required by homeowners, developers and builders to service new residential, industrial/commercial & institutional sites or upgrade their existing services. Applicants are required to apply to Public Works to have this type of work completed to ensure compliance with City Engineering Standards, applicable bylaws, existing policies and procedures, and pertinent government regulations, particularly the Ministry of Environment's Water Quality regulations. The cost to install service connections is paid entirely by the applicant at the unit price listed in this contract as well as 15% for engineering inspection & administrative costs in accordance with the Fee By-law.

The contract was prepared with a special emphasis on Water Testing Requirements to comply with the Ministry of Environment's regulations, and also focused on project completion times and quality of restorations. As the number of applications varies from year to year based on the demand, the numbers listed in T07-013 Bid Document were compiled from last year's (2006) applications, which was considered a typical year. Bidders were invited to analyze the statistical information provided at the end of the document to assist in their bid preparation.

Tender T07-013 was advertised on February 5, 2007 in the Daily Commercial News, in the local paper on the City Page, on OPBA and on the Electronic Tendering Network (ETN), and closed on February 20, 2007.

A total of twenty-five documents were picked up from the Purchasing Department, with a total of twelve bids submitted. Two of these bids were declared non-compliant by Purchasing Services.

The following are the results of the tender opening:

<b>BID RESULTS FOR T07-013 SUPPLY &amp; INSTALLATION OF WATER, SANITARY &amp; STORM SERVICE CONNECTIONS</b>			
<b>Bid Rating</b>	<b>Contractor</b>	<b>Total Before G.S.T.</b>	<b>Total Including G.S.T.</b>
1.	Direct Underground Inc.	\$511,311.00	\$541,989.66
2.	Co-X-Co Construction Ltd.	\$588,145.00	\$623,433.70
3.	Finch Paving (1993) Inc.	\$592,401.00	\$627,945.06
4.	A. Donofrio Construction Ltd.	\$600,488.00	\$636,517.28
5.	M. Charbonneau Const. Inc.	\$629,525.00	\$667,296.50
6.	Gio Contracting Inc.	\$694,720.00	\$736,403.20
7.	Dig-Con International Ltd.	\$779,367.00	\$826,129.02
8.	F.D.M. Contracting Co. Ltd.	\$789,615.00	\$836,991.90
9.	Vipe Construction Ltd.	\$1,006,850.00	\$1,067,261.00
10.	Vigor Infrastructure Ltd.	\$1,054,145.00	\$1,117,393.70
11.	Trisan Construction	\$1,310,153.00	\$1,388,762.18
12.	Serve Construction Ltd.	\$2,283,436.00	\$2,420,442.60

Staff has checked the bids for mathematical errors. Direct Underground Inc. has held the contract for service connections for the past three years with good results. This contractor has also performed similar work for the Engineering Department and the Town of Richmond Hill with good results.

#### **Relationship to Vaughan Vision 2007**

This report is consistent with the priorities previously set by Council and complies with Vaughan Vision 2007, specifically A-2, "Promote Community Safety, Health and Wellness", and A-5 "Plan and Manage Growth".

#### **Regional Implications**

Applications for services on regional roads are reviewed in collaboration with the Region of York. Projects do not proceed to construction until comments and recommendations are received from the Region and resulting implications have been integrated in the final layout of services.

#### **Conclusion**

Based on the prices submitted, it is recommended that the contract for T07-013 Supply and Installation of Water, Sanitary & Storm Sewer Service Connections for Residential, Commercial Industrial/Institutional be awarded to the lowest bidder Direct Underground Inc. of Maple, Ontario.

#### **Attachments**

N/A

**Report prepared by:**

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Respectfully submitted,

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Commissioner of Engineering and Public Works

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