

COMMITTEE OF THE WHOLE - FEBRUARY 2, 2004

AWARD OF TENDER T03-275 SUPPLY AND INSTALLATION OF WATER, SANITARY AND STORM SEWER SERVICE CONNECTIONS

Recommendation

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

- 1) That Parts A and B of Tender T03-275, Supply and Installation of Water, Sanitary and Storm Sewer Service connections be awarded to Direct Underground Inc. for the contract period up to December 31, 2004 and
- 2) That the Mayor and Clerk be authorized to sign the necessary documents.

Purpose

Council approval to award Contract T03-275.

Background - Analysis and Options

This tender involves the Supply and Installation of Water, Sanitary and Storm Sewer Service Connections for Residential (Part A) and Industrial/Commercial/Institutional (Part B) customers. The services installed under this contract will be requisitioned by staff as required for service connection requests received from private applicants. Work orders will be issued on an individual application basis with the cost of the services requisitioned to be paid for by the private applicant requesting the service connection prior to commencement of the work based on the unit prices bid in Tender T03-275.

Tenders closed for this project on Tuesday January 13, 2004. Four bids were received with one disqualified as non-compliant. The following are the results:

Contractor	Part A	Part B	Total Bid Amount (including G.S.T.)
Direct Underground Inc.	\$176,364.78	\$478,684.51	\$655,049.29
FTD Construction Inc.	\$206,969.03	\$565,524.96	\$772,493.99
A. Donofrio Construction Co.	\$326,612.15	\$822,455.50	\$1,149,067.65

The total bid amount reflects anticipated quantities of service connection construction work for 2004 and is based on 2002 and 2003 records and the annual amount of work undertaken in those years. The City does not guarantee the actual quantities as volume of work may vary from year to year. The estimated quantities are used for the purpose of bid comparison and ranking only.

The term of the contract is for one year with the initial period ending on December 31, 2004. There is provision in the tender for extending the contract for up to an additional two year period renewable annually through negotiating mutually agreeable terms with the contractor.

The tendered prices by Direct Underground are an average of 41% lower than the prices in 2003 service connection contract (T02-004). Lower prices are in part due to a more competitive environment at this time of year. Direct Underground was low bid on both Parts A and B.

Direct Underground has performed this type of work and other capital projects satisfactorily for the City since 2001.

Relationship to Vaughan Vision 2007

This project is consistent with Vaughan Vision 2007 in that the award of the Servicing Contract would ensure that the City would (4.4.1) implement the environmental policies contained within the various official plans and would (4.7.1) encourage managed growth through the implementation of OPA 600. This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Conclusion

Staff recommend award of Contract T03-275 to Direct Underground Inc.

Attachments

None

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Respectfully submitted,

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CN:jpi