

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF NOVEMBER 15, 2016

Item 4, Report No. 38, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on November 15, 2016.

**4 AWARD OF TENDER BID NO. T16-347, SUPPLY, DELIVERY, INSTALLATION &
 DISTRIBUTION OF WATER METERS – ALL WARDS**

The Committee of the Whole recommends approval of the recommendation contained in the following report of the City Manager and the Director of Environmental Services, dated November 1, 2016:

Recommendation

The City Manager and the Director of Environmental Services in consultation with the Director of Procurement Services and Director of Financial Services and Deputy City Treasurer recommend:

1. That the contract for Tender BID No. T16-347, Supply, Delivery, Installation & Distribution of Water Meters, be awarded to Wamco Municipal Bidders, in the amount of \$676,318.00, plus applicable taxes for a contract term of fourteen (14) months;
2. That a contingency allowance in the amount of \$68,000.00, plus applicable taxes, be approved within which the Deputy City Manager, Public Works, and the Director of Environmental Services, or designate is authorized to approve amendments to the contract;
3. That staff be authorized to extend the contract for two (2) additional one (1) year periods subject to satisfactory Contractor performance and availability of sufficient funds;
4. That the amounts identified in the above recommendations including all contingency allowances, applicable taxes and administration recovery, be funded from the remainder of the 2016 operating budget and the proposed 2017 operating budget from Account No. 2340651.7330, Meter Installations; and,
5. That the Mayor and City Clerk be authorized to sign the appropriate documents.

Contribution to Sustainability

N/A

Economic Impact

The total costs of \$744,318.00 is available within approved Operating Account No. 2340651.7330, Meter Installations as illustrated below:

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Total Costs			
	2016 (2 mths)	2017 (12 mths)	\$
Contract Value (Excl. HST)	96,617	579,701	676,318
Add: Contingency Allowance	9,714	58,286	68,000
Sub-Total	106,331	637,987	744,318
Add: Non-Recoverable HST (1.76%)	1,871	11,229	13,100
Total Costs	108,203	649,215	757,418

Financial Position			
Operating Account No.2340651.7330	2016 Approved	2017 Proposed	\$
Approved/Proposed Budget	667,116	1,147,776	1,814,892
Less: Expenses/Commitments to Date	593,000		593,000
Available Budget	74,116	1,147,776	1,221,892
Less: Total Costs	108,203	649,215	757,418
Remaining Budget	- 34,087	498,561	464,474

Contract specifications were developed by using estimates from previous years to determine the approximate sizes and quantity of water meters required along with the approximate budgeted value required for the term of the contract. The contract term commences November 16, 2016 and concludes December 31, 2017. The above financial position reflects a negative remaining budget for 2016, however, the quantity and type of water meters required are only an estimate and not a fixed value.

T16-347, Supply, Delivery, Installation and Distribution of Water Meters is a multi-year award allocated from the operating budget. Price terms will remain firm for the contract period up to December 31, 2017 with (Consumer Price Index) CPI increase in the extension periods, if applicable.

For the Optional Extension Period, the unit prices as bid by the Contractor may be adjusted in accordance with the annual rate of change in CPI, for all items. Any adjustments shall have a maximum ceiling of 5% in any given year. Such extension will be subject to the satisfactory performance reviews and necessary approvals required.

Purpose

The purpose of this report is to award the contract for Tender T16-347, Supply, Delivery, Installation & Distribution of Water Meters to Wamco Municipal Bidders

Background - Analysis and Options

Supply, Delivery, Installation & Distribution of Water Meters contract is necessary to allow accurate water metering of Vaughan's water distribution system. Metering allows the City to measure the amount of water that is consumed by the end user. These measurements allow for billing as per the water rates set out in the Schedule A of the water by-law.

It is important to note that approximately 93% of the value of this contract (\$627,647.00) is fully recovered through development. Developers are responsible for purchasing water meters for new installations to newly built homes. The remaining 7% of the contract value (\$48,671.00) is used by operations for water meter change outs due to malfunctioning meters.

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Tender Bid No. T16-347, Supply, Delivery, Installation & Distribution of Water Meters was advertised on City of Vaughan Bidding Website-Vaughan Bids & Tenders, Biddingo, and the Ontario Public Buyers Association's Website on 31/08/2016 and closed on 22/09/2016. Three (3) addenda were issued to respond to the questions received. A total of eight (8) Plan Takers registered for this Tender, and three (3) compliant bids were received as per below:

Bidder	Bid Price (Excl. HST)
Wamco Municipal Products	\$676,318.00
Neptune Technology Group (Canada) Ltd.	\$712,760.13
Emco Corporation	\$875,502.00

Based on the review of the submitted bids, staff recommends to award the contract for Tender Bid No. T16-347, Supply, Delivery, Installation & Distribution of Water Meters, to the lowest compliant bidder, Wamco Municipal Products.

Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

This report supports the following priorities set forth in the Term of Council Service Excellence Strategy Map (2014-2018):

- Invest, renew and manage infrastructure and assets

Regional Implications

There are no Regional implications as a result of this award of tender.

Conclusion

Staff recommends that the contract for Tender Bid No. T16-347, Supply, Delivery, Installation & Distribution of Water Meters be awarded to Wamco Municipal Products, in the amount of \$676,318.00, plus applicable taxes.

Report prepared by:

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