



Item
Meeting 2016 Jul 25

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2016 July 19
FROM: DIRECTOR FINANCE **FILE:** 5820-20
Reference: 71-05/13
SUBJECT: CONTRACT EXTENSION – DUCTILE IRON WATER PIPE
PURPOSE: To obtain Council approval for a one year contract extension for the supply and delivery of ductile iron water pipe.

RECOMMENDATION:

1. **THAT** Council approve a one year contract extension with Andrew Sheret Ltd., for a total estimated cost of \$300,000 including taxes in the amount of \$32,136. Final payment will be based on the actual quantity of material ordered and unit prices as quoted.

REPORT

In 2013 May, the City awarded a tender for the supply and delivery of ductile iron water pipe to Andrew Sheret Ltd. and participating co-operative members in the cities of Burnaby, North Vancouver, Port Coquitlam and the districts of North and West Vancouver on behalf of the Vancouver Regional Co-operative Purchasing Group (VRCPG).

The contract was awarded for a one year period with options for four individual one year extension periods at the sole discretion of the City. This recommendation is for the third extension, term effective 2016 August 01 to 2017 July 31.

Due to US exchange fluctuations and higher manufacturing costs, there is an increase of 8.5% over existing prices. A recent review shows that the increase requested is in line with the marketplace. Members of the VRCPG concur with the recommended extension.

The ductile iron pipe is inventoried at the City Works Yard and as well, is delivered directly to jobsites as required. Funding for the contracted material is provided in various operating and capital accounts included in the 2016 – 2020 Annual Financial Plan.

A handwritten signature in cursive script, appearing to read "Denise Jorgenson".

Denise Jorgenson
DIRECTOR FINANCE

GC:ML/ts

Copied to: Director Engineering