

TO: MAYOR & COUNCILLORS
FROM: DEPUTY GENERAL MANAGER FINANCE
RESPONSIBLE DEPARTMENT(S): ENGINEERING
SUBJECT: **CR – MUNICIPAL CASTINGS**
PURPOSE: To obtain Council approval for a Contract Renewal (CR) for the supply and delivery of Municipal Castings.

RECOMMENDATION

THAT a contract renewal to EMCO Corporation, for an estimated cost of \$100,800 including taxes, as outlined in the report titled “CR – Municipal Castings” dated July 22, 2025, be approved; and

THAT final payment will be based on actual quantities ordered and unit prices quoted.

EXECUTIVE SUMMARY

This recommendation is to approve a contract renewal in the amount of \$100,800 including taxes. Further details are outlined in Attachment 1.

EMCO Corporation currently supplies and delivers municipal castings to the Laurel Warehouse on an “as and when required” basis for use by various City departments. Demand for these castings may vary depending on operational needs, with annual usage reporting adjusted accordingly.

The existing contract term was previously extended by four (4) months to allow EMCO Corporation time to work with its manufacturer on renewal pricing, particularly in light of ongoing tariff reviews.

It is now recommended that the City proceed with an eight (8) month renewal term with EMCO Corporation. The supplier has agreed to maintain current unit pricing for the duration of this renewal period, ensuring cost stability despite market fluctuations.

There is no need to go back out to bid at this time because the original contract included optional renewal years, which the City is now exercising.

1.0 POLICY SECTION

The City’s Change Order Policy requires Council approval for change orders, which individually or when accumulated with prior change orders, increases the total value of the contract by \$500,000.

2.0 BACKGROUND

Following a Request for Quotation (RFQ) #57-03-22 in March 2022, the City awarded a one-year contract for the supply and delivery of municipal castings to EMCO Corporation in the amount of \$86,800 including taxes. The initial contract term was for the period April 1, 2022 to March 31, 2023 with the option to extend for four (4) one (1) year periods, at the sole discretion of the City should service prove reliable and pricing remains competitive. Optional contract renewal terms allow the City to assess the vendor's performance during the initial term and provides the contractor with the ability to adjust pricing based on market fluctuations at the time of renewal.

EMCO Corporation has supplied similar products for over five years.

3.0 GENERAL INFORMATION

The estimated total contract value is \$554,400 including taxes.

City staff have reviewed the renewal and believe it appropriately addresses the City's needs at a fair cost.

4.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

RFQ #57-03-22 Supply and Delivery of Municipal Castings was publicly advertised. Upon closing, the City received a total of two submissions.

5.0 FINANCIAL CONSIDERATIONS

Funding for this work is provided in the 2025 – 2029 Financial Plan under various operating and capital accounts.

Respectfully submitted,

Ratan Grewal, Deputy General Manager Finance

ATTACHMENTS

Attachment 1 – Contract History

REPORT CONTRIBUTORS

This report was prepared by Mike Libonati, Senior Buyer and reviewed by Jenny Ng, Purchasing Specialist and Robyn Tegart, Senior Manager Procurement Services – Operations.