



# REPORT

To: Electoral Area Directors Committee

Report Number: ENV-RBAC-013

From: Paulo Eichelberger, GM of Environmental Services

Date: January 21, 2021

**Subject: Hydrant Repair and Maintenance Contract Award**

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## RECOMMENDATION:

That the Electoral Area Directors Committee recommend that the Regional Board award RFQ 36-2020 'Fire Hydrant Repair and Maintenance,' to Celtic Construction Ltd. for semi-annual servicing of fire hydrants within the North Peace Airport Subdivision, for an amount not to exceed \$55,000 (excluding taxes) for a 2-year term, with an option to renew for 1 additional year; further, that the Chair and Chief Administrative Officer be authorized to sign the contract on behalf of the Regional District.

## BACKGROUND/RATIONALE:

The North Peace Airport Subdivision Water Function 701 (Function 701) includes a network of 8 fire hydrants. A Request for Quotes (RFQ) was issued in November 2020, to select qualified contractors to conduct regular maintenance on the fire hydrants to ensure system functionality.

Proponents were requested to provide contract rates to conduct regular maintenance on the fire hydrants in the following manner:

- Conduct a Type 1 Major<sup>1</sup> Maintenance event on each hydrant, every 2 years in the spring.
- Conduct a Type 2 Minor<sup>2</sup> maintenance event on each hydrant, twice per year (spring and fall).
- Individual labour & emergency call-out rates as well as % mark-up on parts.

A total of 5 submissions were received as listed below:

| Company | Celtic Construction Ltd. | Big League Utilities Corp. | Cutting Edge Projects Ltd. | Premium Fire Protection Ltd. | Knappett Industries |
|---------|--------------------------|----------------------------|----------------------------|------------------------------|---------------------|
| Score   | 54.3                     | 53.0                       | 48.9                       | 38.1                         | 35.3                |

All proponents met mandatory requirements and were evaluated based on contract rates provided. Celtic Construction Ltd. was selected as the preferred proponent and is recommended for contract award.

## ALTERNATIVE OPTIONS:

1. That the Electoral Area Directors Committee provide further direction.

## STRATEGIC PLAN RELEVANCE:

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<sup>1</sup> Complete Inspection and Teardown Service of the hydrant.

<sup>2</sup> Operation and Inspection Service of the hydrant. Less invasive than Type 1.

- ☒ Organizational Effectiveness
  - ☒ Develop a Corporate Asset Management Program
- ☒ Responsive Service Delivery
  - ☒ Enhance Emergency Planning and Response Capacity

## FINANCIAL CONSIDERATION(S):

### Costs

The costs for services, based on bidders provided rates, are as follows:

| Company                      | Annual Cost (Type 1 and 2 Repairs Only) |
|------------------------------|---|
| Celtic Construction Ltd.     | \$14,400.00                             |
| Cutting Edge Projects Ltd.   | \$12,200.00                             |
| Knappett Industries          | \$372,800.00                            |
| Big League Utilities Corp.   | \$32,160.00                             |
| Premium Fire Protection Ltd. | \$7,200.00                              |

Key takeaways:

- The costs above do not include emergency repairs and call-outs which may be required from time to time.
- The two lowest cost bidders did not include all possible costs into their submissions. Therefore, the preferred proponent is Celtic Construction Ltd.

All costs for the service contract will be paid through Function 701.

### Procurement Policy

Under Procurement Policy 0340-26, Sec 10.1 “Approval Thresholds,” approval for contract award the Board of Directors is the delegate responsible for anything over \$50,000. While the 2-year cost of the preferred proponent for Type 1 and 2 Repairs is \$28,800 (excluding taxes), it is possible that costs in this time period could exceed the \$50,000 threshold. For context, the cost for emergency repairs and maintenance for 4 of the hydrants in 2020 was approximately \$46,000. The 4 remaining hydrants are scheduled for repairs when the preventative maintenance program gets underway with the contract provider in Spring of 2021<sup>3</sup>. Therefore, it is recommended that the contract award be recommended by RBAC for approval by the Regional Board.

## COMMUNICATIONS CONSIDERATION(S):

None at this time.

## OTHER CONSIDERATION(S):

None at this time.

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<sup>3</sup> These major repairs have been budgeted for in the 2021 Capital Budget for Function 701.