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Corporate Report

NO: R244

COUNCIL DATE: November 24,

2003

REGULAR COUNCIL

Mayor &

Council

DATE: November 18,

2003

FROM: General Manager,

Engineering

FILE: **1201-242/71**

SUBJECT: Contract Award M.S. 1201-242/71, Terasen

Utility Services

RECOMMENDATIONS

- 1. That Contract M.S. 1201-242/71 be awarded to Terasen Utility Services, in the amount of \$1,049,201.53, including GST and contingency.
 - 2. That the requirement for a plumbing permit be waived for the works under this contract.

SCOPE OF WORK

As part of the Water Meter Program, the City has a program to replace non functioning water meters and upgrade meters to current standards. Contract 1201 242/71 includes about 500 water meters of all sizes requiring replacement or upgrade. These upgrades and replacements are of an immediate need to ensure that water consumption is accurately measured for billing purposes.

This contract also includes water meter installation work for new residential construction and provisions to attend to emergency meter installation and rectification works required in the day-to-day operations.

The quantities for meter installations under this contract were revised due to a very recent increase in the number of requests by strata councils for master meters. This has only affected the quantity and upset limit as the contractor has agreed to the same unit price as submitted in the tender. The quantity of meters was only increased to cover all potential strata requests for master meters until the end of 2004. It is beneficial to include the strata master meter installation quantities under this contract due to favorable pricing.

Replacements and upgrades are expected to start in December 2003, and will continue to the end of 2004. Consistent with volunteer metering contract, we are recommending waiving the plumbing permit requirement since it is a City contract.

PROPOSAL RESULTS

Responses to our request for proposals were received on November 4, 2003, with results as follows:

Contractor	Proposed Amount with GST	Corrected Amount with GST
 Neptune Technology Group Terasen Utility Services 	\$1,996,475.83 \$ 750,460.99	\$2,363,668.52 \$ 999,239.55

The Engineer's pre-tender estimate was \$1,746,000.00 with GST.

EVALUATION

These works are components of the water meter program. Contractors from the Council-approved pre-qualified tenderers for water metering work were invited to submit proposals for this contract. Two of the three pre-qualified tenderers have submitted proposals.

The corrected amounts above include the correction of the slight mathematical errors found in the submissions and the revised amounts for the provision of strata master meters.

FUNDING

Funding requirements are as follows:

Total Funding Required	\$1,0	010,000
Total Funding Available	1,050,000	
Return to Water Budget	\$	40,000

Paul Ham, P.Eng. General Manager, Engineering

VL/JP/brb

c.c. - General Manager, Finance, Technology & HR

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