

NO: **109** COUNCIL DATE: **June 29, 2009**

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## REGULAR COUNCIL

TO: **Mayor & Council** DATE: **June 25, 2009**  
FROM: **General Manager, Engineering** FILE: **1209-102-11**  
SUBJECT: **Contract Award - M.S. 1209-102-11 – Water Meter Installations  
CORIX Utilities Inc.**

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## RECOMMENDATIONS

The Engineering Department recommends that Council:

1. Award Contract M.S. 1209-102-11 to CORIX Utilities Inc. in the amount of \$5,656,954.60 including GST; and
2. Set the expenditure authorization limit for Contract M.S. 1209-102-11 at \$6,222,000 including GST.

## SCOPE OF WORK

The subject contract will provide water meter installation services for the volunteer water meter program for the next 3 years. It is projected that approximately 4,100 new meters will be installed in that period on a volunteer basis by home owners and a further 4,000 meters will be installed to service new residential lots. The contract will run to September 2012.

## DISCUSSION

CORIX Utilities Inc. has provided water meter installation services for the City since 2001. During that time period, 23,400 meters have been installed under the voluntary metering program and 8,100 meters under the new residential construction program. Currently there are 41,000 metered and 35,000 unmetered single-family residential customers in Surrey. At the completion of this contact, it is projected that 62% of single-family residences in Surrey will be metered (49,000).

## TENDER RESULTS

Tenders were solicited from 3 contractors. There are no other qualified contractors available for this type of work. The tenders were opened on May 29, 2009 with the following results:

| <i>Contractor</i>              | <i>Tender Amount<br/>with GST</i> | <i>Corrected Tender<br/>Amount with GST</i> |
|--------------------------------|-----------------------------------|---|
| 1. Neptune Technology          | \$5,117,168.04                    | N/A non compliant                           |
| 2. CORIX Utilities Inc.        | \$5,656,954.60                    | No change                                   |
| 3. Canadian Meter Installation | Did not submit                    |   |

The Engineer's pre-tender estimate was \$6,500,000 including GST.

## EVALUATION

The City's consultant reviewed the tenders for accuracy and completeness.

Through the evaluation process it was determined that although Neptune was the lowest bidder they had qualified their bid, which rendered it non-compliant with the specifications. On this basis their bid was rejected.

CORIX Utilities Inc.'s submission included the required 10% bid bond, and was signed and sealed on the Tender Form and Summary Sheet of the Schedule of Quantities and Prices.

CORIX Utilities Inc. has provided a Consent of Surety for a Labour & Materials Bond and agreed to complete the work within 780 working days, as stipulated in the contract. CORIX Utilities Inc.'s past performance on similar work has been satisfactory. They have no outstanding legal claims against the City. It is recommended that CORIX Utilities Inc. be awarded Contract M.S. 1209-102-11.

## FUNDING

Funding for this contract is available in the approved Water budget and related Financial Plan.

Vincent Lalonde, P.Eng.  
General Manager, Engineering

VL/SB/brb:kd

c.c. - General Manager, Finance & Technology