

NO: **R223**

COUNCIL DATE: **October 18, 2010**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **October 10, 2010**

FROM: **General Manager, Finance &
Technology and General Manager,
Engineering Services**

FILE: **1820-12**

SUBJECT: **Extension of Contract for Water Meter Reading (Corix Utilities)**

RECOMMENDATION

The Finance & Technology Department and the Engineering Department recommend that Council approve a one year extension to the contract with Corix Utilities Inc. to December 31, 2011 for the reading of water meters throughout the City with minor adjustments to the contract as generally described in this report.

INTENT

The purpose of this report is to obtain Council approval for the extension of the water meter reading contract with Corix Utilities Inc. for a one year period to the end of December 2011.

DISCUSSION

The current water meter reading contract with Corix Utilities Inc. will expire on December 31, 2010; however, the contract includes an option subject to the mutual agreement of the parties to extend the contract for an additional one year period.

The City has recently implemented a new meter reading and billing management system. Corix Utilities, which is currently under contract with the City to provide water meter reading services, has assisted the City in setting up the new system and in ensuring that impacts to the City's water customers are minimized as the new system is refined. Corix has agreed to a one year extension of the current meter reading contract subject to a fee increase consistent with the Consumer Price Index for Vancouver, British Columbia as published by Statistics Canada, which is currently less than 1%. This is considered to be a reasonable adjustment from the perspective of staff.

The contract pricing structure is based on the number of meters that are read by the contractor during a billing period. Based on the inflation adjustment referenced above and the number of new meters expected over the next year, the value of the contract for the additional year is estimated at **\$560,000** including HST.

CONCLUSION

Based on the above discussion, it is recommended that Council approve a one year extension to the contract with Corix Utilities Inc. to December 31, 2011 for the reading of water meters throughout the City with minor adjustments to the contract as generally described in this report.

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