



Making a difference...together

**REPORT TO MAGIC LAKE ESTATES WATER AND SEWER LOCAL SERVICES COMMITTEE
MEETING OF FRIDAY 28 OCTOBER 2011**

**SUBJECT MAGIC LAKE ESTATES WATER TREATMENT PLANT EQUIPMENT SUPPLY
AWARD OF CONTRACT (TENDER REF. NO. 2011-520)**

ISSUE

To recommend to the Capital Regional District (CRD) Board that a contract be awarded to Corix Water Systems for the supply of water treatment equipment related to the capital projects for the Magic Lake Estates Water and Sewer Local Service.

BACKGROUND

The CRD recently issued a public tender for the supply of water treatment equipment related to the capital projects for the upgrading of the Magic Lake Estates water system. The prepurchase of the water treatment equipment is necessary in order receive specific product details to allow for the completion of the design of the water treatment facility and related work.

The three tenders were received by the CRD's Purchaser by the closing time on August 8, 2011, and they are summarized as follows:

TENDERER	TOTAL TENDERED AMOUNT (excluding HST)
1. Corix Water Systems	\$749,091.59
2. BowRio Water Technologies Inc.	\$911,859.00
3. ITT Water & Wastewater Canada	\$1,603,300.00

The CRD's engineering consultant, AECOM Canada Ltd., has conducted a detailed evaluation of the tenders and have concluded that the submission from Corix Water Systems (Corix) is the lowest eligible bid. The tendered amount is reasonable value and is within the budget for the supply of the water treatment plant. Further, the CRD is familiar with the Corix products having installed and operated a similar process at the Fulford water system on Salt Spring Island.

ALTERNATIVES

1. That the Magic Lake Estates Water and Sewer Local Services Committee recommend to the Capital Regional District Board that a contract for the supply of water treatment equipment (Tender Reference No. 2011-520) be awarded to Corix Water Systems for an amount of \$749,091.59 plus HST.
2. That the Magic Lake Estates Water and Sewer Local Services Committee award the contract to another tenderer.

IMPLICATIONS

Alternative 1:

Award the contract to Corix for \$749,091.59 plus HST which is within the budgeted amount for the purchase of the water treatment equipment. This will allow for the completion of the design of the facility and future tendering of the general contract.

Alternative 2:

Awarding the contract to one of the other bidders without a valid reason increases the cost of equipment supply and likely would result in legal action by the low bidder.

CONCLUSION

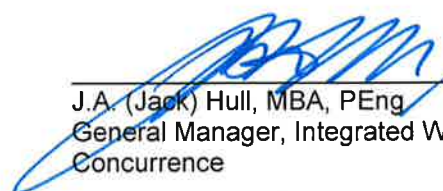
The bid received from Corix Water Systems for \$749,091.59 plus HST, meets the terms of the tender and project budget and it is recommended that Corix Water Systems be awarded the contract for the supply of the water treatment equipment. Further, the prepurchase of the equipment will allow for the completion of the water treatment facility design specific to Corix's product.

RECOMMENDATION

That the Magic Lake Estates Water and Sewer Local Services Committee recommend to the Capital Regional District Board that a contract for the supply of water treatment equipment (Tender Reference No. 2011-520) be awarded to Corix Water Systems for an amount of \$749,091.59 plus HST.



Scott Mason, BSc, PEng
Manager, Regional Infrastructure



J.A. (Jack) Hull, MBA, PEng
General Manager, Integrated Water Services
Concurrence



Kelly Daniels
CAO Concurrence

SM:ls