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Agenda Item #10
REPORT #RWSC 2010 - 03

**REPORT TO REGIONAL WATER SUPPLY COMMISSION
MEETING OF WEDNESDAY, 20 JANUARY 2010**

SUBJECT AWARD OF CONTRACT FOR INSTALLATION OF AUTOMATIC FIRE SPRINKLERS FOR THE
JAPAN GULCH TREATMENT PLANT FACILITIES

PURPOSE

To recommend the award of a construction contract for the installation of automatic fire sprinklers in the water treatment buildings at Japan Gulch.

BACKGROUND

Both of the disinfection buildings at Japan Gulch were constructed without automatic fire suppression systems. The Capital Regional District's insurer, FM Global, is insisting that systems be installed in specified areas of both buildings. \$200,000 was included in the 2009 Capital Budget.

Stantec Consulting Ltd. has prepared the design for the work and the work has been publicly tendered. Upon closing of the tender period on December 21, 2009, three bids were received from contractors for the installation work, and they are summarized as follows:

Tenders Received From	Total Tendered Price Including (GST)
Tech Mechanical Systems Ltd., Victoria	\$139,150.20
Torry and Sons Plumbing & Heating Ltd., Courtenay	\$141,821.40
Troy Sprinkler Limited, Chilliwack	\$186,330.00

Note: The amount includes GST and a \$10,000 contingency.

The tenders were reviewed in detail and were found to be in accordance with the tender instructions.

ALTERNATIVES

Alternative 1 - Award the work to Tech Mechanical Systems Ltd.

Alternative 2 – Do not award the work.

FINANCIAL IMPLICATIONS

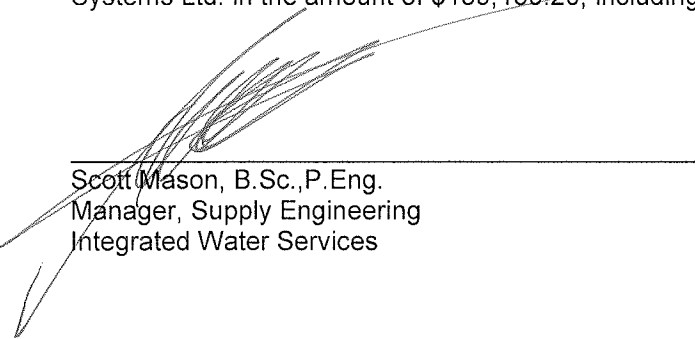
The project is considered a risk reduction measure. Currently, if a fire were to occur at one or both of the treatment facilities, water disinfection could be impacted and emergency work would have to occur to correct any fire damaged equipment. By awarding the contract to install the fire sprinkler systems, the risk of fire damage would be reduced.

CONCLUSIONS

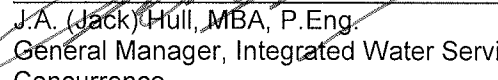
The bid from Tech Mechanical Systems Ltd. is the lowest bid and it is within the budget amount for the construction portion of the project.

RECOMMENDATION

That the Regional Water Supply Commission award the construction contract for the installation of automatic fire sprinklers at the Japan Gulch Treatment Plant (JGTP) facilities (Tender No. 2009-392) to Tech Mechanical Systems Ltd. in the amount of \$139,150.20, including GST.



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