



**REPORT TO REGIONAL WATER SUPPLY COMMISSION
MEETING OF WEDNESDAY, JULY 4, 2012**

SUBJECT SOOKE LAKE RESERVOIR INTAKE TOWER SUPPLY AND DELIVERY OF BUTTERFLY VALVES – AWARD OF CONTRACT 2012-709

ISSUE

To pre-purchase valve equipment related to Sooke Lake Reservoir Intake Tower Valve Replacement Project.

BACKGROUND

At its meeting held May 2, 2012, the Regional Water Supply Commission approved the award of engineering consulting services (reference RFP No. 2012-679) for the design, tender, replacement and commissioning of butterfly valves at the Sooke Reservoir Intake Tower. As part of the overall valve replacement project, advance purchase of the butterfly valves is required due to their long term delivery time and, in addition, to provide design efficiency, as the design can then proceed on the basis of the actual valves. The valves are to be installed under a separate construction contract which will be tendered mid-September 2012.

The Capital Regional District (CRD) staff recently issued a public tender for the supply and delivery of butterfly valves for the Sooke Lake Reservoir Intake Tower Valve Replacement Project. Tenders closed on Tuesday, June 12, 2012; two (2) tenders were received by the CRD's Purchaser and opened in public. The following table summarizes the tenders:

TENDERER	TENDER AMOUNT (excluding HST)
1. NORPAC (A Division of Spartan Controls Ltd.)	\$128,809.00
2. CORIX Water Products Limited Partnership	\$177,410.51

The CRD's consultant, Kohn Crippen Berger (KCB), carried out a tender evaluation and confirmed that NORPAC Division of Spartan Controls (NORPAC) provided the lowest compliant tender. KCB further recommends that NORPAC be awarded a contract to supply and deliver the butterfly valves. The CRD staff is confident in NORPAC's ability to perform the work.

The Regional Water Supply Commission has approved amounts in the 2012 capital budget for this supply contract.

ALTERNATIVES

1. That the Regional Water Supply Commission award a contract for the supply and delivery of butterfly valves for the Sooke Lake Reservoir Intake Tower (Tender Reference No. 2012-709) to NORPAC (A Division of Spartan Controls) for the amount of \$128,809.00, excluding HST.
2. That the Regional Water Supply Commission award a contract to another tenderer.

FINANCIAL IMPLICATIONS

Alternative 1 - Awarding the contract to NORPAC in the amount of \$128,809.00 will allow the project to move forward with the installation and commissioning of the complete project. NORPAC's tender amount is within the established budget of this project.

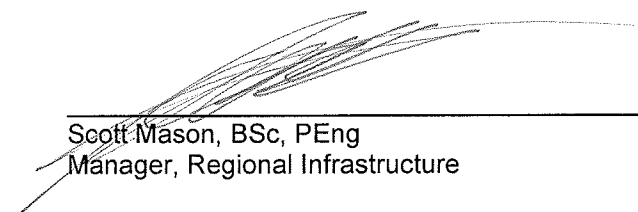
Alternative 2 - Awarding the contract to another tenderer without a valid reason increases the cost of the supply and likely would result in legal action by the lowest compliant tenderer.

CONCLUSION

The bid received from NORPAC for \$128,809.00, plus HST, for the supply and delivery of butterfly valves for the Sooke Lake Reservoir Intake Tower Valve Replacement project meets the requirements of Tender 2012-709 and is within the established approved project budget. The CRD staff is familiar with NORPAC and confident that they are able to perform.

RECOMMENDATION


That the Regional Water Supply Commission award a contract for the supply and delivery of butterfly valves for the Sooke Lake Reservoir Intake Tower (Tender Reference No. 2012-709) to NORPAC (A Division of Spartan Controls) for the amount of \$128,809.00, excluding HST.



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