



**REPORT TO REGIONAL WATER SUPPLY COMMISSION
MEETING OF WEDNESDAY, NOVEMBER 7, 2012**

SUBJECT SOOKE LAKE RESERVOIR INTAKE TOWER VALVE REPLACEMENT – AWARD OF CONTRACT 2012-723

PURPOSE

To recommend the award of a contract to Brunnell Construction Ltd. (Brunnell) for the Sooke Lake Reservoir Intake Tower Valve Replacement project.

BACKGROUND

The Capital Regional District (CRD) recently issued a public tender related to the Sooke Lake Reservoir Intake Tower Valve Replacement capital project. The work related to the project is to replace four 48” diameter valves within the intake tower. The work is very complex and it is imperative that the work be completed without delay.

The project is a multiple year project included in the five year capital plan approved by the Regional Water Supply Commission (RWSC) with budgets of \$900,000 in each of the years 2012 and 2013 (RWSC 2012 capital budget item #9).

A public tendering process was used to obtain bids for the work and, upon closing of the tendering period on October 4, 2012, three bids were received by the CRD’s Purchaser. They are summarized as follows:

TENDERER	TOTAL TENDERED AMOUNT (excluding HST)
1. Torry & Sons Plumbing and Heating Ltd.	\$696,071.43
2. Brunnell Construction Ltd.	\$784,300.00
3. Perma Construction Ltd.	\$852,015.00

The CRD’s engineering consultant, Klohn Crippen Berger Inc. (KCB) has conducted a detailed evaluation of the tenders and have concluded that the submission from Brunnell Construction Ltd. represents the best value and is within the budget for the capital improvement. Although the tendered price from Torry and Sons is the lowest of the three submissions, it was concluded that they did not demonstrate sufficient experience to complete this critical project. Brunnell and their subcontractors are known to the CRD and Brunnell is currently performing two contracts for the CRD.

The overall project budget includes amounts for CRD staff effort, engineering consulting and construction. The total tendered amount from Brunnell is less than the total available budget for construction.

ALTERNATIVES

1. That the Regional Water Supply Commission award a contract for the Sooke Lake Reservoir Intake Tower Valve Replacement Project (Tender Reference No. 2012-723) to Brunnell Construction Ltd. for the amount of \$784,300.00, excluding HST.
2. That the Regional Water Supply Commission award a contract to another tenderer.

FINANCIAL IMPLICATIONS

Alternative 1 - Awarding the contract to Brunnell in the amount of \$784,300.00 will allow the project to proceed as scheduled. Brunnell’s tender amount is within the established budget for this project and it includes a reasonable contingency.

Alternative 2 - Awarding the contract to another tenderer may impact the project cost and potentially delay completion of the project.

CONCLUSION

The bid received from Brunnell Construction Ltd. for the amount of \$784,300.00, excluding HST, for the Sooke Lake Reservoir Intake Tower Valve Replacement project meets the requirements of Tender 2012-723 and is within the established project budget. The CRD staff are familiar with Brunnell's work and are confident that they are able to perform the contract.

RECOMMENDATION

That the Regional Water Supply Commission award a contract for the Sooke Lake Reservoir Intake Tower Valve Replacement Project (Tender Reference No. 2012-723) to Brunnell Construction Ltd. for the amount of \$784,300.00, excluding HST.

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