

**DATE:** September 14, 2017

**FILE:** 5610-20 /Sandwick

**TO:** Chair and Directors  
Regional District Board

**FROM:** Russell Dyson  
Chief Administrative Officer

**RE:** Contract Award – Sandwick Meter Setters and Appurtenances

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### **Purpose**

To seek approval for the award of a contract to Corix Water Products for the supply of meter setters and appurtenances for the installation of water meters for the Sandwick Water Local Service Area (WLSA).

### **Policy Analysis**

Bylaw No. 284, being the “Comox Valley Regional District Delegation of Purchasing Authority Bylaw No. 284, 2013” requires that the board approve all contracts in excess of \$100,000.

### **Executive Summary**

Conversion of the portion of the Sandwick Waterworks District (SWWD) located within Comox Valley Regional District (CVRD) Electoral Area ‘B’ to a CVRD WLSA is currently underway. As part of this process the CVRD will be installing water meters on all 424 connections.

To keep costs low, CVRD waterworks operators will be completing the installation of the water meters and three separate procurement processes for the materials and services required to complete installation have been completed. The original budget for the installation of meters was \$1,200 per connection. With the completion of separate procurement processes for excavation and backfill services, the water meters and the meter transceiver units (MXU’s), and meter setters and appurtenances the current estimated cost for meter installation is right around the \$1,200 per connection as estimated.

A request for quotations (RFQ) for excavation and backfill services was recently completed with the contract award being below \$100,000. The water meters and MXU’s are being procured separately from the setters and other parts to ensure continuity with existing metering equipment in other Comox Valley Water System WLSA’s.

A request for quotations (RFQ) for meter setters and appurtenances was issued in August 2017. Upon close of the RFQ, four compliant quotes were received. The highest ranking quotation that provided the best value to the CVRD was from Corix Water Products (Corix).

Under this contract Corix will provide meter setters, fittings, clamps and meters boxes for all 424 connections within the Sandwick WLSA. The majority of the service connections have been located, however the exact depth of the service connection and the actual parts required for the installation of meters for each service are not known at this time.

Costs for parts vary on the size of the connection and depth of the service within the ground. The RFQ requested costing for various meter setters and connection sizes and provides the CVRD the flexibility in ordering parts in phased orders as more information about each individual service connection is known. The contract award for the entire project is for \$125,000 exclusive of GST, however this value may change as more information regarding individual services becomes known.

Due to the timing of the Electoral Area Services Committee and board meetings within October, this report will be going directly the September 19, 2017 board meeting to ensure work can commence immediately, so that the installation of meters will be completed before the wet winter months.

**Recommendation from the Chief Administrative Officer:**

THAT as a result of a competitive process, a contract be awarded to Corix Water Products for the supply of water setters and associated appurtenances for the Sandwick conversion project in an amount not to exceed \$125,000 plus applicable taxes;

AND FURTHER THAT the Chair and Corporate Legislative Officer be authorized to execute the contract.

Respectfully:

***R. Dyson***

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Russell Dyson  
Chief Administrative Officer

**Background/Current Situation**

The SWWD is located partially within the City of Courtenay and CVRD Electoral Area 'B'. In June 2016, following an open house and feedback from area customers, the SWWD trustees voted unanimously to dissolve SWWD and convert to a CVRD WLSA as of January 1, 2017. As a result the SWWD will be dissolved and properties located within the City of Courtenay will be connected to the City's system and properties within Electoral Area 'B' will become a CVRD WLSA.

All WLSA's that are owned and operated by the CVRD are metered. As part of the conversion process the CVRD will be installing meters on all connections. CVRD waterworks operators will be installing the meters themselves to ensure high quality connections and to keep costs low. However three separate procurement processes are required for the additional parts and services necessary for the installation of meters, these are described below:

1. **Excavation and Backfill Services:** A separate procurement process has been completed for excavation and backfill services, a qualified contractor will expose each water service and backfill around the meter box once the meter has been installed. This contract was below \$100,000 and as such was not presented to the board.
2. **Water Meters and Meter Transceiver Units (MXU's):** A notice of intent to direct award for the meters and MXU's is currently underway. The purpose to direct award these parts is to ensure compatibility with the metering equipment that is already installed within the other WLSA's.
3. **Meter Setters and Appurtenances:** A competitive process for the parts required to connect the water meter and MXU to the existing water service.

In August 2017, an RFQ was issued for the meters setters and appurtenances. At the close of the meter setters and appurtenances RFQ, four compliant quotes were received. The highest ranking quotation that provided the best value to the CVRD was from Corix.

Under this contract Corix will provide meter setters, fittings, clamps and meters boxes for all 424 connections within the Sandwich WLSA. The majority of the service connections have been located, however the exact depth of the service connection and the actual parts required for the installation of meters for each service are not known at this time.

Costs for parts vary on the size of the connection and depth of the service within the ground. The RFQ requested costing for various meter setters and connection sizes and provides the CVRD the flexibility in ordering parts in phased orders as more information about each individual service connection is known. The contract award for the entire project is for \$125,000 exclusive of GST, however this value may change as more information regarding individual services becomes known.

Installation of meters has been estimated at \$1,200 per connection. With the completion of the procurement processes as detailed above the estimated cost per connection is expected to be right around \$1,200 per connection.

### **Options**

The board has the following options:

1. To approve the contract award to Corix Water Products.
2. To not award the contract at this time.

The RFP was issued with the intent to award a contract to the proponent that ranked the highest, offering the best value to the CVRD. Corix can deliver the required parts within the stipulated timeline for the installation of water meters in the Sandwich WLSA, as such only option no. 1 above is recommended.

### **Financial Factors**

Installation of water meters was included within the 2017-20121 financial plan for Sandwich.

### **Legal Factors**

Bylaw No. 284 requires that the board approve award of all contracts in excess of \$100,000.

### **Regional Growth Strategy Implications**

It is well established that water metering is an effective measure for reducing water demand within a community, water meters help to promote water conservation and efficiency.

### **Intergovernmental Factors**

The CVRD is working closely with the City of Courtenay during the Sandwich conversion process.

### **Interdepartmental Involvement**

The Engineering Services Branch is leading this work with support from the Financial Services Department.

### **Citizen/Public Relations**

Following the installation of meters, the CVRD will develop a comprehensive communications plan and commence a period of mock billing for Sandwich residents to understand the change in the billing process.

Prepared by:

Concurrence:

Concurrence:

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