



# REPORT

To: Chair and Directors

Report Number: ENV-BRD-179

From: Daris Gillis, Environmental Services Manager

Date: April 4, 2024

**Subject: Contract Award – RFP 02-2024 Operations of Potable Water Stations**

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## **RECOMMENDATION: [Corporate Weighted]**

That the Regional Board award Request for Proposal, RFP 02-2024 “Operations & Maintenance of Five Potable Water Treatment and Bulk Loading Stations” to Aquatech Canadian Water Services Ltd. to provide operation and maintenance services for the Area B water stations for a five year term commencing October 19, 2024, at a first year annual cost of \$501,053.39; excluding taxes and including a 10% contingency with an annual inflation increase of 3% for each subsequent year for a total contract value of \$2,660,160.49; further, that the Chair and Chief Administrative Officer be authorized to sign the agreement on behalf of the Peace River Regional District.

## **BACKGROUND/RATIONALE:**

On May 18, 2023, the Regional Board passed the following resolution:

*MOVED, SECONDED, and CARRIED*

*That the Regional Board extend the contract for the “Operations of Five Potable Water Treatment and Bulk Loading Stations Agreement No. 21-2018” to Aquatech Canadian Water Services Ltd. to provide operation and maintenance services of the Area B water stations at an annual cost of \$442,236 (excluding taxes) for an additional one year term commencing October 18, 2023; and further, that the Chair and Chief Administrative Officer be authorized to sign the contract on behalf of the PRRD.*

Five potable bulk fill water stations were constructed in Electoral Area B in 2018 including Rose Prairie, Feye Spring, Buick Creek, Boundary Lake, and Prespatou. Aquatech Canadian Water Services Ltd (Aquatech) was awarded a five-year contract to operate and maintain the five Area B water stations. The contract conditions provided for an initial five-year term with the option of successive one year renewal term. The renewal term expires on October 18, 2024.

The current contract requires a 6-month notification if there is no continuation to service required or if the contract is terminated. The notification provision allows for a transition period between contractors if the current contractor does not continue operating the facilities. As such, staff issued RFP 02-2024 “RFP 02-2024 Operations & Maintenance of Five Potable Water Treatment and Bulk Loading Stations” on February 8, 2024.

One bid was received from Aquatech in response to the tendering opportunity. Based on an exceptional evaluation score and fair pricing, staff is recommending that the RFP be awarded to Aquatech.

**ALTERNATIVE OPTIONS:**

1. That the Regional Board provide further direction.

**STRATEGIC PLAN RELEVANCE:**

- Asset and Infrastructure Management

**FINANCIAL CONSIDERATION(S):**

The annual term amounts are set out in Table 1 below and are adjusted with the 3% inflation increase for each annual term. There is a 10% contingency added to the annual fees to account for emergency callouts and non-routine operational/maintenance requirements.

**Table 1. Area B Potable Water Station Annual Term Pricing:**

Water Station	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
Prespatou	\$150,316.02	\$154,825.50	\$159,470.26	\$164,254.37	\$169,182.00
Boundary Lake	\$59,215.40	\$60,991.86	\$62,821.62	\$64,706.27	\$66,647.45
Feye Spring	\$72,880.49	\$75,066.91	\$77,318.91	\$79,638.48	\$82,027.64
Rose Prairie	\$40,995.28	\$42,225.14	\$43,491.89	\$44,796.65	\$46,140.55
Buick Creek	\$132,095.89	\$136,058.77	\$140,140.53	\$144,344.75	\$148,675.09
<b>SUB TOTAL</b>	\$455,503.08	\$469,168.17	\$483,243.22	\$497,740.51	\$512,672.73
<b>Contingency (10%)</b>	\$45,550.31	\$46,916.82	\$48,324.32	\$49,774.05	\$51,267.27
<b>TOTAL</b>	\$501,053.39	\$516,084.99	\$531,567.54	\$547,514.57	\$563,940.00

**COMMUNICATIONS CONSIDERATION(S):**

None at this time.

**OTHER CONSIDERATION(S):**

Rose Prairie is undergoing investigation of a new water well source within the vicinity of the existing station. The current operations are minimal and include site inspections to ensure safety and integrity of the site. Should the station become operable, there will be amendments required to be made to the contract.