



STAFF REPORT

To: Tim Tanton
Chief Administrative Officer

Date: May 3, 2021

From: Ben Martin
Director of Infrastructure Services

File: 5330-20\WW-2021
Water Main Renewal Project -
PH4 Curteis Point East

Re: **Tender Award – Curteis Point 2021 Water Main Renewal Project**

RECOMMENDATION:

That Council authorize the award of the Curteis Point 2021 Water Main Renewal *Contract 2020-07-ENG-TDR* to BD Hall Constructors Corp. at a total bid of \$673,444.56 (excluding GST).

STRATEGIC PLAN IMPLICATIONS:

This matter relates to the following Council strategic priorities:

Protect and Enhance Rural, Agricultural, Heritage, Marine and Environmental Resources

Maintain a Safe and Healthy Community

Ensure Strong Leadership, Fiscal Responsibility and Transparent Government

INTRODUCTION/BACKGROUND:

In the 2016 Water Master Plan, which forms part of the District's asset management plan, water main replacement and upgrades were identified in a number of areas in the District. Replacement of undersized and older asbestos cement (AC) mains installed in the 1960s were identified as the highest priorities as these were approaching the end of their useful life and were also deficient in their ability to deliver fire flows.

The first priority, which was completed in 2020, was the replacement of 3.5 km of 100mm diameter AC mains on Lands End and Chalet Road. The next high priority water main replacement is for Curteis Point where approximately 1.2 km of 100mm main is to be replaced on Curteis, Dunne, Kedge Anchor and Inwood Roads.

Tender documents were posted on the BC Bid™ website on February 11, 2021. On March 18, 2021 eight tenders were received as summarized in table 1.

Table 1: Summary of Tender Bids Received

Rank	Tenderer	Total Tender Price (Excluding GST)	Bid Bond?	Surety's Consent?	Notes
1	BD Hall Constructors Corp.	\$673,444.56	Y	Y	Lowest
2	G&E Contracting LP	\$929,635.00	Y	Y	
3	Scansa Construction Ltd.	\$971,493.00	Y	Y	
4	Coast Utility Contracting Ltd.	\$1,035,558.00	Y	Y	
5	Copcan Civil Ltd.	\$1,061,634.00	Y	Y	
6	Milestone Equipment Contracting Inc.	\$1,145,389.00	Y	Y	
7	Hazelwood Construction Services	\$1,361,837.88	Y	Y	
8	Don Mann Excavating Ltd.	\$1,710,512.00	Y	Y	

DISCUSSION:

All of the bids were compliant with the submission requirements. The average of the bids was approximately \$1,111,188 and the lowest bid of \$673,444.56 was received from BD Hall Constructors Corp. The District's engineering consultant have reviewed BD Hall Constructors Corp. bid, have confirmed BD Hall Constructors Corp. is a firm capable of completing the work and has recommended an award of the construction contract.

The design consultant's pre-tender estimate of cost for the works was \$1,361,560 and the average bid price approximately \$1,111,118. On a per meter of water main installed basis, the consultants pre-tender estimate represents an approximate value of \$1,130/meter, the average bid price an approximate value of \$925/meter, and the low bid from BD Hall Constructors Corp. an approximate value of \$560/meter. The low bid represents good value to the District and likely was favourable due to the early Spring timing of the construction tender period. This tender is irrevocable and open for acceptance by the District up to May 18, 2021.

Back in February 2020 a grant application was submitted for the *Investing in Canada Infrastructure Program (ICIP) Green Infrastructure* grant. The grant is co-funded by the Government of Canada and the Province of BC and offers funding up to a total of 73.3%. Staff arranged the tender closing to coincide with the anticipated notice of award of the ICIP grant. On March 26, 2021 staff learned from the grant funder that funding announcement is delayed to late Spring. On April 21, 2021 staff further spoke with the grant funder and confirmed that funding announcement date is expected in June and also that the program is highly oversubscribed. A project will be deemed ineligible if a project has been awarded prior to grant approval.

Options to delay award within the context of the current bid results are limited to requesting a post-tender change order to extend the bid security and date of acceptance for the Owner. The bidder is agreeable to a delay and have accepted a post-tender change order to extend the bid security to July 15, 2021 and have provided a revised construction schedule commencing on September 7, 2021 and reaching the tender required substantial completion by November 30, 2021.

The delay of award of contract, as detailed above, allows the District to maintain grant eligibility should the District be successful.

FINANCIAL IMPLICATIONS:

The water main renewal project, including the design and contract administration services, is funded from the Water System Reserve. The 2021 budget for water main replacement project \$1,600,000 and is consistent with the replacement program identified in the Water Master Plan. At the beginning of 2021, there was approximately \$2.3 million in the Water System Reserve. Every year, more than \$500,000 is transferred into the Water System Reserve from the Water Utility.

RECOMMENDATION:

That Council authorize the award of the Curteis Point 2021 Water Main Renewal (Contract 2020-07-ENG-TDR) to BD Hall Constructors Corp. at a total bid of \$673,444.56 (excluding GST).

Respectfully submitted,

Concurrence,



Ben Martin
Director of Infrastructure Services



Tim Tanton
Chief Administrative Officer



Stephanie Munro
Director of Finance