



**Table 1 – List of corrected Tender prices**

<b>Tenderers</b>	<b>Tender Price (excluding GST)</b>
Windley Contracting Ltd.	\$1,713,119.00
Milestone Equipment Contracting Ltd.	\$1,716,614.38
Knappett Projects Inc.	\$1,761,078.03
Knappett Industries	\$1,782,667.13
Copcan Civil Ltd.	\$1,788,053.00
Ridgeline Mechanical Ltd.	\$1,851,048.16
Bowerman Excavating Ltd.	\$2,050,047.00
Hazelwood Construction Services Inc.	\$2,091,628.00
IWC Excavation Ltd.	\$2,288,923.56

The lowest tender price was submitted by Windley Contracting Ltd. for \$1,713,119.00 (excluding GST).

McElhanney has reviewed the tenders for compliance and recommends awarding the contract to Windley Contracting Ltd.

Local and regional construction costs have been under significant upward pressure since the budget was prepared (due to material cost and active construction market), and the tender results are considered to provide good value to the RDN.

## **ALTERNATIVES**

1. Award the tender for the Nanoose Bay Peninsula Pumpstation construction to Windley Contracting Ltd. for \$1,713,119.00 (excluding GST).
2. Provide alternate direction to Regional District of Nanaimo staff regarding the project.

## **FINANCIAL IMPLICATIONS**

The Pump Station project will be funded by \$800,000 Electoral Area E Community Works Funds with the balance funded 34% from General Reserves, and 66% DCC revenues. This project is a specific RDN component of the overall ERWS Joint Venture projects being completed in conjunction with Parksville and funded through the Nanoose Bulk Water Service. Future DCC revenues will be used to service debt principle for the portion of the project funded by DCCs.

The approved budget for this project is currently \$1.81 Million. Total expected project cost, based on actual tendered construction costs (summarized in Table 2), are estimated at \$2.184 million. This increase reflects the increases in construction and materials costs since 2016. Construction costs have been under higher than normal upward pressure over the last 2 years, and key material costs are volatile. There are funds available through the existing Nanoose Bulk Water borrowing authority and general reserves to accommodate the budget increase of \$375,000 within the approved 2018 to 2022 financial plan. The proposed budget maintains a contingency of \$170,000 (based on 10% of the construction contract cost).

**Table 2 – Summary of Project Costs**

<b>Project Components</b>	<b>Project Costs (excluding GST)</b>
Engineering and Contract Management	\$230,432
Construction Contract	\$1,713,119
Contingency (10% of construction contract)	\$171,312
Utilities and Equipment Refurbishment	\$70,000
<b>Total (Proposed Revised Budget)</b>	<b>\$2,184,863</b>
<b>Budget</b>	<b>\$1,810,000</b>
Difference	\$374,863

### **STRATEGIC PLAN IMPLICATIONS**

The design and construction of the pumpstation directly supports the strategic priority to Focus on Service and Organization Excellence and "...fund infrastructure in support of our core services...". More specifically, this project allows the RDN to maintain the existing level of service provided to the Nanoose Bay Peninsula Water Service Area well into the future. Also, this project supports the strategic priority to Focus on Economic Health and recognizes the importance of water in supporting economic and environmental health. Without this pumpstation, further development within the NBP Water Service Area would not be feasible.



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Reviewed by:

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