

---

**TO:** Regional District of Nanaimo Board      **MEETING:** June 25, 2019  
**FROM:** Duncan Taylor  
Manager, Engineering Services      **FILE:** 5330-20-CRFU&PSU  
**Subject:** Chase River Forcemain No.1 Replacement – Construction Contract Award

---

### **RECOMMENDATIONS**

1. That the Board award the contract for the Chase River Forcemain No. 1 Replacement and Haliburton Street Utility Upgrades to Milestone Contracting Inc. for a total contract value of \$2,987,730 (excl. GST).
2. That the Board approve the Construction Management contract with Jacobs Engineering with a value of \$245,000 for the Chase River Forcemain No.1 Replacement and Haliburton Street Utility Upgrades Project.
3. That the Board approve the addition of \$1,285,257 to the Chase River Forcemain No. 1 Replacement and Haliburton Street Utility Upgrades Project budget which will be reimbursed by the City of Nanaimo through a cost-sharing agreement.

### **SUMMARY**

Jacobs Engineering completed the detailed design on the Chase River Forcemain No. 1 (CRFM1) Replacement and Haliburton Street Utility Upgrades. The construction scope was put out to public tender on May 7, 2019. The tender closed on June 6, 2019, and five tenders were received. The lowest bid received was from Milestone Contracting Inc. for \$2,987,730 (excluding GST). Jacobs Engineering reviewed the tenders for compliance and recommend that the construction of this project be awarded to Milestone Contracting Inc. Staff concur with Jacob's review.

The construction project will be funded through Wastewater Services approved 5 year capital plan and reimbursement from the City of Nanaimo (CoN) respectively. The net cost for the construction project for the Regional District of Nanaimo (RDN) is \$1,702,473 and for the CoN is \$1,285,257.

### **BACKGROUND**

The Chase River Pump Station and Forcemains are critical infrastructure components of the southern communities wastewater infrastructure that receives wastewater from the south end of the CoN. Wastewater from the pump station is conveyed approximately 1.1 kilometres northward beneath Haliburton Street to the Nanaimo Interceptor Pipeline through twin 450 mm diameter ductile iron pipes (Chase River Force Mains No. 1 and 2). The forcemains were installed in 1980 and 1998 respectively.

Serious leaks in the Chase River Forcemain No. 1 have required that it be shut down and replaced on an expedited emergency basis. This project was advanced as a high priority for completion of the forcemain portion of the project in 2019 before the wet weather season to eliminate the current risk of wastewater spills from the system. Replacement of the ageing piping and electrical switchgear inside the pump station will be completed under a separate construction contract in the summer of 2020.

Following the award of the engineering services contract, an opportunity was identified to partner with the CoN to coordinate CoN watermain replacement and road upgrades along this stretch of Haliburton Street. Combining these activities into one coordinated construction project allows the RDN and CoN to reduce overall cost and disruption to the taxpayer by coordinating engineering, procurement and construction resources.

### ***City of Nanaimo Scope of Work.***

The CRFM1 installation beneath Haliburton Street will require the removal of the asphalt surface and road closure during construction. The CoN Transportation Masterplan identifies the same section of Haliburton Street for a dedicated pedestrian/cycling path and the CoN Capital Plan includes replacement of the ageing asbestos cement watermain. The CoN has elected to undertake the multi-use path and water main replacement work on Haliburton Street to correspond with the timing of the RDN forcemain replacement, in order to reduce overall cost and disruption to the taxpayer.

The RDN and the CoN have agreed to cost share the engineering design and construction for the three projects.

### ***RDN Scope of Work (2019)***

The 2019 Construction scope of this project is to install a new 650mm High-Density Polyethylene Forcemain from the CRFM1, 1 km across the Chase River and under Haliburton Street to connect with the existing gravity interceptor pipeline which transports wastewater from the Southern portion of Nanaimo to the Greater Nanaimo Pollution Control Centre.

Five tenders for the construction of the CoN and RDN 2019 scope of work were received. The list of tenders is summarized in Table 1 below:

Table 1: List of Tenders Received

Company Name	Tender Price (Exclusive of Tax)
Milestone Contracting Inc.	\$ 2,987,730
Copcan Civil Ltd.	\$ 3,150,748
Hazelwood Construction Services, Inc.	\$ 3,329,583
Windley Contracting Ltd.	\$ 3,303,104
Knappett Industries (2006) Ltd.	\$ 3,542,515

Milestone Contracting Inc. submitted the lowest tender price of \$2,987,730. RDN staff, in collaboration with Jacobs Engineering, has reviewed the tenders for compliance and recommend awarding the contract to Milestone Contracting Inc.

## **ALTERNATIVES**

1. That the Board:
  - Award the contract for the CRFM1 Replacement and Haliburton Street Utility Upgrades to Milestone Contracting Inc. for a total contract value of \$2,987,730 (excl. GST).
  - Approve the Construction Management contract with Jacobs Engineering for a value of \$245,000 for the CRFM1 Replacement and Haliburton Street Utility Upgrades Project.
  - Approve the addition of \$1,285,257 to the CRFM1 Replacement and Haliburton Street Utility Upgrades Project budget which will be reimbursed by the CoN through a cost-sharing agreement.
2. That the Board provide alternative direction regarding the project.

## **FINANCIAL IMPLICATIONS**

The CRFM1 Replacement and Haliburton Street Utility Upgrades Project will be funded through Wastewater Services approved 5 year capital plan and reimbursement from CoN respectively. The total value of the construction contract award is \$2,987,730( excl. GST). The net cost for the construction project for the RDN is \$1,702,473 and for the CON is \$1,285,257.

Although the CoN will be reimbursing the RDN for their portion of the project, the RDN is required to increase the budget to cover these costs in advance. An increase of \$1,285,257 to the CRFM1 Replacement and Haliburton Street Utility Upgrades Project budget is required to accommodate the incremental cost associated with the CoN scope of work.

## **STRATEGIC PLAN IMPLICATIONS**

Environmental Stewardship - Protect and enhance the natural environment, including land, water, and air quality for future generations.

Growth Management – Provide effective regional land use planning and responsible asset management for both physical infrastructure and natural assets.

People and Partnerships - Seek opportunities to partner with the provincial and federal governments, other government agencies, and community stakeholder groups in order to advance strategic plan goals and objectives.



---

Duncan Taylor  
[dtaylor@rdn.bc.ca](mailto:dtaylor@rdn.bc.ca)  
13 June 2019

Reviewed by:

- P. Carlyle, Chief Administrative Officer
- R. Alexander, General Manager, Regional and Community Utilities
- S. De Pol, Director, Water and Wastewater Services
- J. Bradburne, Director, Finance