



# Staff Report to Council

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**DATE: Monday, November 4, 2024**

**DEPARTMENT: Engineering**

**SUBJECT: Award of Construction Contract for Centre Mountain Residential Work Package 2B and 6 Interim Civil Works**

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## EXECUTIVE SUMMARY:

The purpose of this staff report is to seek Council's approval to award the construction contract for Centre Mountain Residential (CMR) Work Package's (WP) 2B and 6 - Interim Civil Works to the lowest bidder, Colecon Contracting Ltd., at an amount of \$3,698,571.95 plus GST funded via the appropriate LSA fund, as recommended by the City's project consultant. The project was tendered publicly on BC Bid. The tender closed on Wednesday, October 16, 2024 at 2:00 p.m. A total of nine (9) bids were received. In accordance with the City's Purchasing Policy, all bids were opened and witnessed publicly. Eight (8) of the nine (9) bids were confirmed to be fully compliant, including the lowest bid.

For clarification, this contract is separate from the CMR WP2A Earthworks contract and the Centre Mountain Business Park (CMBP) WP4 Civil Works contract, both previously awarded by Council and nearing completion. This CMR WP2B and 6 tender package focuses the remaining CMR Road LSA funds towards the essential servicing and gravel road connections required to deliver on our collective obligations under the 2017 Reconciliation Agreement. It is referred to as an interim civil package because the scope of work is considered partway between a traditional full earthworks package and civil package.

## BACKGROUND:

### Centre Mountain – Reconciliation and Boundary Adjustment Agreements

At the February 6, 2017 Regular Council meeting ([see staff report distributed at meeting](#)), Council approved the signing of the Reconciliation and Boundary Adjustment agreements; commonly referred to as the tripartite land swap between Beecher Bay First Nation, the District of Metchosin, and the City of Langford. This historic land swap was the beginning of the Centre Mountain development that will result in economic independence for Beecher Bay First Nation, the preservation of green space for Metchosin, and regionally beneficial services, housing, and jobs.

### Centre Mountain Development LAS/LSAs Background

At the February 22, 2022 Regular Council meeting ([see agenda page 554](#)), Council adopted the following three bylaws related to the Centre Mountain development: 1. Centre Mountain Water Service Local Area Service Establishment Bylaw No. 2038, 2022; 2. Centre Mountain Residential

Community Roadway Local Area Service Establishment Bylaw No. 2040, 2022; and 3. Centre Mountain Business Park Community Roadway Local Area Service Establishment Bylaw No. 2042, 2022.

At the July 18, 2022 Regular Council meeting ([see agenda page 405](#)), Council adopted the following three bylaws related to the Centre Mountain development:

1. Centre Mountain Water Service Loan Authorization Bylaw No. 2039, 2022;
2. Centre Mountain Residential Community Roadway Loan Authorization Bylaw No. 2041, 2022;  
and
3. Centre Mountain Business Park Community Roadway Loan Authorization Bylaw No. 2043, 2022.

At the December 5, 2022 Regular Council meeting ([see agenda page 44](#)), Council adopted the following three additional bylaws related to the Centre Mountain development:

1. Centre Mountain Water Service Local Area Service Temporary Borrowing Bylaw No. 2106, 2022;
2. Centre Mountain Residential Community Roadway Local Area Service Temporary Borrowing Bylaw No. 2107, 2022; and
3. Centre Mountain Business Park Community Roadway Local Area Service Temporary Borrowing Bylaw No. 2108, 2022.

For further background information on the Centre Mountain development LAS/LSAs, please see the staff report from February 7, 2022 Regular Council meeting ([see agenda page 226](#)).

#### Centre Mountain Development Work Packages Background

The Centre Mountain development is divided into Centre Mountain Business Park (CMBP) and Centre Mountain Residential (CMR) with City Works generally phased as follows:

- Agreements/Approvals:
  - With landowners, MOE, MoTI, CRD, Metchosin, WSES, etc.
- Earthworks:
  - Stripping, grading, blasting, scaling, retaining walls, etc.
- Civil:
  - Deep Utilities Installation: storm drain, sanitary sewer, watermain, etc.
  - Shallow Utilities Coordination: BC Hydro, Telus, Shaw, Fortis Gas, etc.
  - Road and Frontage Works: paving, curb/gutter, sidewalk, boulevard, landscaping, irrigation, driveways, streetlights, fence, paint, signage, etc.

For tender and construction purposes, the Centre Mountain development LAS works were divided into nine packages as follows:

- Work Package 1: CMR new roadway (east section) spanning from Happy Valley Road to approximately 350m west.
- Work Package 2: CMR new connector roadway (west section) spanning from WP1 (west limit) to the boundary of the Centre Mountain Business Park.
- Work Package 3: Sooke Road works on existing Highway 14 at the proposed Business Park

access (west of the intersection of Sooke Road and West Shore Parkway).

- Work Package 4: CMBP new roadway (east section) spanning from Sooke Road intersection (WP3 limits) south to the boundary of Centre Mountain Residential (WP2 limits).
- Work Package 5: CMBP new roadway (west section) cul-du-sac with emergency access to Woodruff Road spanning from the middle of WP4 west and north towards Sooke Road (no connection to Sooke Road here).
- Work Package 6: CMR new roadway (north section) spanning from the west end of WP2 to the proposed reservoir.
- Work Package 7: Intersection improvements and/or signalization of the two new intersections at Sooke Road (CMBP) and Happy Valley Road (CMR); to be included in WP3 and WP1, respectively.
- Work Package 8: New water pump station, reservoir, and three PRVs within the Centre Mountain development (CMBP and CMR).
- Work Package 9: For material supply, as necessary (CMBP and CMR).

**COMMENTARY:**

The limits of WP2B and 6 within the CMR site boundary are as shown in Figure 1.

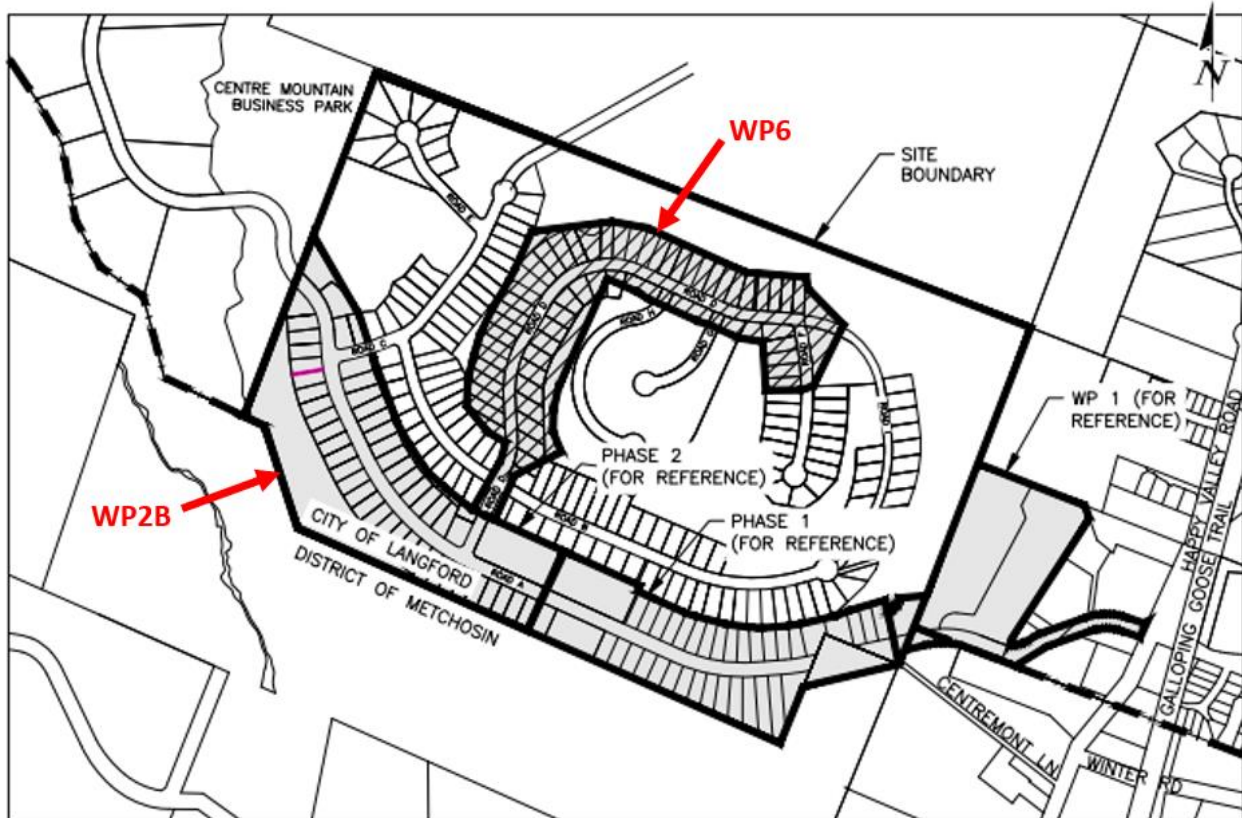


Figure 1: WP2B & 6 Location Plan

The project was tendered publicly on BC Bid. The tender closed on Wednesday, October 16, 2024 at 2:00 p.m. A total of nine (9) bids were received. In accordance with the City’s Purchasing Policy, all bids were opened and witnessed publicly. The bids were then reviewed by the City’s project consultant, McElhanney Ltd., who prepared the following summary of tender bid prices results in Table 1, listed in order of total bid price. The bid prices are listed exclusive of GST because the City claims the GST back.

*Table 1: CMR WP2B & 6 Interim Civil Bid Summary*

Company	Bid Price (excluding optional work)	Bid Price of optional work	Total Bid Price excluding taxes
Colecon Contracting Ltd.	\$ 3,271,744.50	\$ 426,827.45	\$ 3,698,571.95
Hazelwood Construction Services	\$ 4,307,372.07	\$ 546,718.58	\$ 4,854,090.65
Vimex Contracting Ltd.	\$ 4,650,358.50	\$ 624,615.00	\$ 5,274,973.50
Don Mann Excavating Ltd.	\$ 5,140,677.50	\$ 568,090.00	\$ 5,708,767.50
Draycor Construction Ltd.	\$ 6,020,594.25	\$ 523,421.00	\$ 6,544,015.25
Windley Contracting Ltd.	\$ 6,187,477.00	\$ 549,723.00	\$ 6,737,200.00
Timbro Contracting Ltd.	\$ 6,736,522.47	\$ 912,386.30	\$ 7,648,908.77
Hall Constructors	\$ 7,117,324.58*	\$ 640,790.74*	\$ 7,758,115.32*
Allterra Construction Ltd.	\$ 7,178,938.67	\$ 712,138.00	\$ 7,891,076.67

*\*Tender price adjusted due to minor arithmetic errors*

Staff were not advised of any scheduling or budgetary issues but were advised of a potential bid bond issue. While staff recognize that there may be an issue with one of the bid bond documents which could result in that bid being non-compliant, since that company is not the lowest bidder, staff are electing to not seek confirmation at this time, as it would not affect the award recommendation. All the other eight (8) bids have been confirmed fully compliant, including the lowest bidder.

As Colecon Contracting Ltd. (Colecon) has the lowest submitted price and has provided the required bonding, further review by the City’s project consultant was focused on their submission. The Form of Tender was reviewed; it generally does not contain any price anomalies which could consider the tender

to be unbalanced. The bid price for general requirements are lower than the average of the bids. This is to be expected with Colecon already mobilized and established on the project site. Staff recommend awarding the construction contract for Centre Mountain Residential to the lowest bidder, Colecon Contracting Ltd., at an amount of \$3,698,571.95 plus GST.

**FINANCIAL IMPLICATIONS:**

This construction contract will be funded via the appropriate LSA fund, as recommended by the City's project consultant.

**LEGAL IMPLICATIONS:**

The City must either award or cancel the tender within 60 calendar days of the tender closing date.

As part of the continuing works, the landowners within the LSA boundaries have committed to granting blanket statutory rights-of-way (SRWs) for the construction period. These will be discharged when the LSA roads/utilities have been fully completed/accepted and dedicated to the City.

**STRATEGIC PLAN ALIGNMENT:**

Item 6c – Continue to Take Action Towards Reconciliation

**OPTIONS:**

**Option 1**

THAT Council award the construction contract for Centre Mountain Residential Work Package 2B & 6 Interim Civil Works to Colecon Contracting Ltd. at an amount of \$3,698,571.95 plus GST funded via LSA funds;

AND

THAT Council authorize Mayor and CAO, or Corporate Officer, to execute this construction contract.

**OR Option 2**

THAT Council not award the construction contract for Centre Mountain Residential Work Package 2B & 6 Interim Civil Works at this time.

**SUBMITTED BY: Katelyn Balzer, P.Eng., Director of Engineering and Public Works**

**Concurrence:** Melisa Miles, Manager of Legislative Services

**Concurrence:** Michael Dillabaugh, CPA, CA, Director of Finance

**Concurrence:** Marie Watmough, Director of Legislative & Protective Services

**Concurrence:** Braden Hutchins, Deputy Chief Administrative Officer

**Concurrence:** Darren Kiedyk, Chief Administrative Officer