



# Staff Report to Council

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**DATE:** Tuesday, February 18, 2025

**DEPARTMENT:** Engineering

**SUBJECT:** Award of Construction Contract for Centre Mountain Work Package 8

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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 Work Package (WP) 8 to the lowest bidder, Coast Utility Contracting Ltd. at an amount of \$6,552,115.00 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 Friday, January 31, 2025 at 2:00 p.m. A total of eight (8) bids were received. In accordance with the City's Purchasing Policy, all bids were opened and witnessed publicly. There are no known budgetary or compliance issues with the lowest bid and substantial completion is scheduled for December 2025.

For clarification, this contract is separate from the Centre Mountain Residential (CMR) and Centre Mountain Business Park (CMBP) contracts previously awarded by Council. The WP8 tender package focuses on key components of the water system (pump station, reservoir and pressure control station) that are essential to delivering on our collective obligations under the 2017 Reconciliation Agreement. This water system will be owned, operated, and maintained by the Capital Regional District (CRD) and is eligible for Juan de Fuca Water Distribution System (JDFWDS) Development Cost Charge (DCC) credits administered by the City in accordance with the CRD's bylaws and policies.

## 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 project was tendered publicly on BC Bid. The tender closed on Friday, January 31, 2025 at 2:00 p.m. A total of eight (8) 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, Stantec Consulting 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: WP8 Bid Summary*

<b>Company</b>	<b>Total Bid Price (excluding GST)</b>
Coast Utility Contracting Ltd.	\$6,552,115.00
Regehr Contracting Ltd.	\$6,800,817.30
Windley Contracting Ltd.	\$7,092,720.00
Industra Construction Corp.	\$7,174,153.33
Ridgeline Mechanical Ltd.	\$7,228,722.86
Hazelwood Construction Services Inc.	\$7,254,802.98*
CanWest Mechanical Inc.	\$7,265,859.21*
Copcan Civil Ltd.	\$7,291,247.00

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

The location of the WP8 key water system components (pump station, reservoir and pressure control station) within CMR & CMBP are as shown in Figure 1.

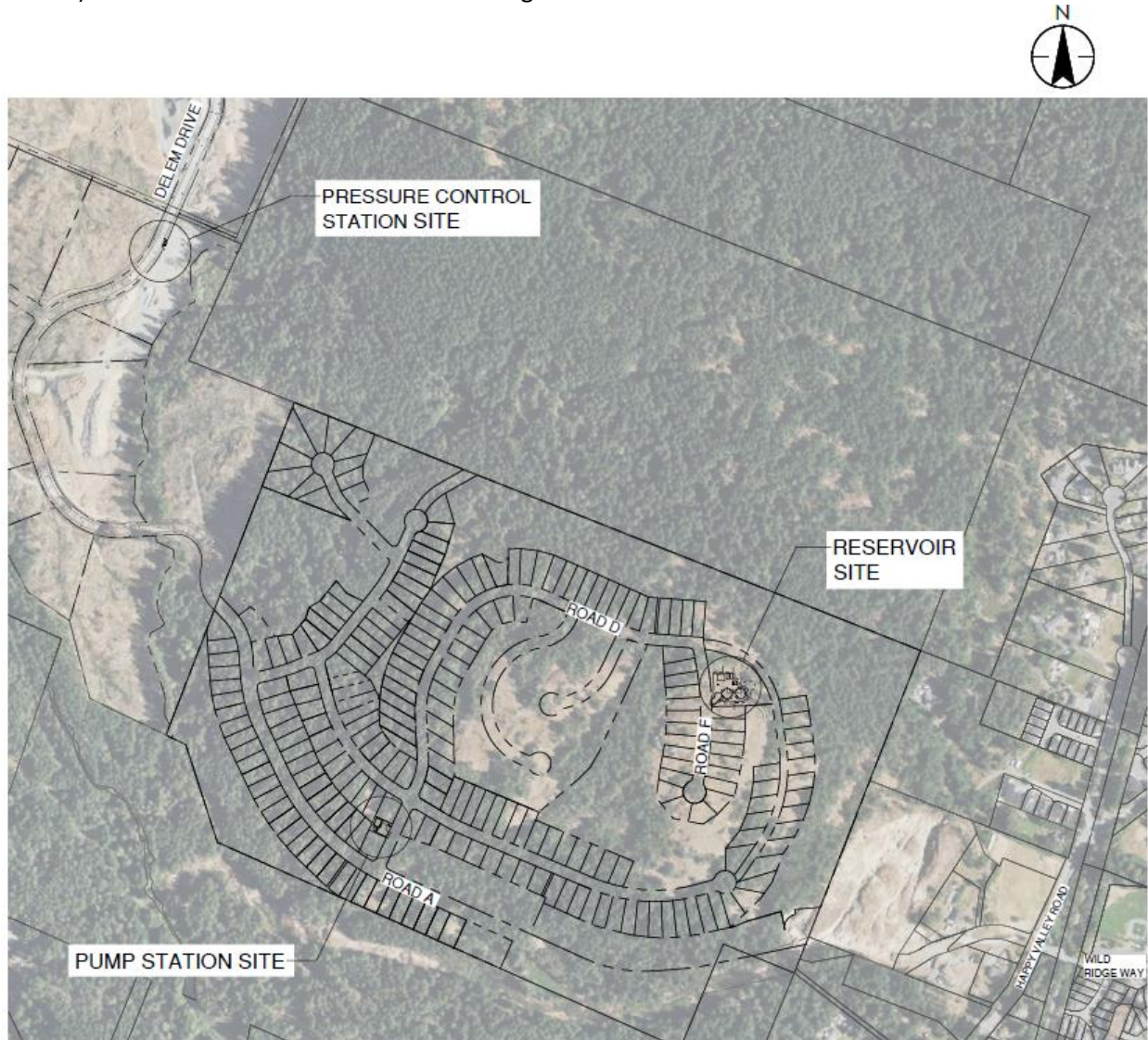


Figure 1: WP8 Project Location Plan (not to scale)

There are no known budgetary or compliance issues with the lowest bid and substantial completion is scheduled for December 2025 which aligns with the City's commitments under 2017 Reconciliation Agreement. Staff recommend awarding the construction contract for Centre Mountain Work Package 8 to the lowest bidder, Coast Utility Contracting Ltd., at an amount of \$6,552,115.00 plus GST.

**FINANCIAL IMPLICATIONS:**

This construction contract will be funded via the appropriate LSA fund, as recommended by the City's project consultant. This water system will be owned, operated, and maintained by the Capital Regional District (CRD) and is eligible for Juan de Fuca Water Distribution System (JDFWDS) Development Cost Charge (DCC) credits administered by the City in accordance with the CRD's bylaws and policies.

**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/CRD.

**STRATEGIC PLAN ALIGNMENT:**

Item 6c – Continue to Take Action Towards Reconciliation

**OPTIONS:**

**Option 1**

THAT Council award the construction contract for Centre Mountain Work Package 8 Pump Station, Reservoir and Pressure Control Station to Coast Utility Contracting Ltd. at an amount of \$6,552,115.00 plus GST funded via LSA funds;

AND

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

**OR Option 2**

THAT Council not award the construction contract for Centre Mountain Work Package 8 Pump Station, Reservoir and Pressure Control Station 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