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**REPORT TO ELECTORAL AREA SERVICES COMMITTEE
MEETING OF WEDNESDAY 18 JULY 2012**

**SUBJECT CONSTRUCTION OF GALIANO LIBRARY AND COMMUNITY USE BUILDING
AWARD OF CONTRACT 12-1739**

ISSUE

Approval of award of contract for the construction of the new Galiano Library and Community Use Building.

BACKGROUND

On 14 December 2011 the Board adopted Bylaw No. 3792 for the purpose of constructing a building to be used for library, community and local government use on Galiano Island. The Board also adopted Bylaw No. 3793 to authorize borrowing of up to \$730,000 from MFA for the construction of this building. The bylaws received assent of the electors by referendum on 19 November 2011. The MFA funding combined with a \$400,000 Towns for Tomorrow grant approved by the Province and \$150,000 raised by the Galiano Library Society established the total project budget at \$1,280,000. Construction must commence in August 2012 so that the new building can be completed by the 31 March 2013 deadline specified in the Towns for Tomorrow grant.

A tender was issued on 15 June 2012, following completion of the design and approval by stakeholders and agencies. Four tenders for Contract 12-1739 were received on 06 July 2012 as follows:

<u>Company</u>	<u>Tender Price</u> (including HST)
Lake Construction Ltd.	\$814,128.00
W.J. Murphy Contracting Ltd.	\$852,320.00
Palladian Developments Inc.	\$859,467.77
Hunterston Homes Ltd.	\$862,656.86

All tenders have been reviewed to ensure compliance with tender call requirements and checked for accuracy/mathematical errors. A minor arithmetic correction was made to the tender from Hunterston Homes Ltd. The low tender from Lake Construction Ltd. had no errors, complied with the instructions to tenderers and is within the budget allowance for this project. Their references have been checked, including some of their key sub-contractors, and all indications are that they have completed similar work and have the qualifications and experience to complete this contract.

The tender evaluations were reviewed with representatives from the Galiano Library Society who concurred with the recommendation of this staff report.

ALTERNATIVES

1. That Contract 12-1739, Construction of Galiano Library and Community Use Building, be awarded to Lake Construction Ltd. in the amount of \$814,128 (including HST).
2. That Contract 12-1739 not be awarded.

FINANCIAL IMPLICATIONS

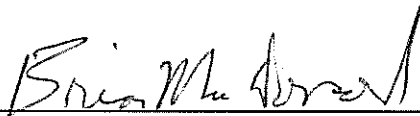
Funding for construction of the Galiano Library and Community Use Building, totaling \$1,280,000, will come from Loan Authorization Bylaw No. 3793 in the amount of \$730,000; the \$400,000 Towns for Tomorrow Grant, and \$150,000 raised by the Galiano Library Society. Short-term funding will be provided under Bylaw No. 3813. The recommended tender award price is within the capital budget for the construction of the building.

CONCLUSION

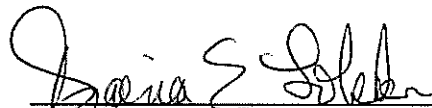
Following approval by referendum and adoption by the Board of the necessary Bylaws to construct and operate a Galiano Island library and community use building and authorization to borrow money for the construction of the new building, tenders were requested for the construction of the building. The tenders received were evaluated against the tender call requirements. The recommended tender award meets the requirements and is within the budget allowance for the project.

RECOMMENDATION

That the Electoral Area Services Committee recommend to the Board that Contract 12-1739, Construction of Galiano Library and Community Use Building, be awarded to Lake Construction Ltd. in the amount of \$814,128, including HST.



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