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**REPORT TO ELECTORAL AREA SERVICES COMMITTEE
MEETING OF WEDNESDAY, MARCH 20, 2013**

**SUBJECT CONSTRUCTION OF WILLIS POINT FIRE APPARATUS BUILDING
AWARD OF CONTRACT 12-1751**

ISSUE

Approval of contract award for the construction of the new Willis Point fire apparatus building.

BACKGROUND

The Willis Point Volunteer Fire Department stores its fire equipment and apparatus, including 2 fire trucks, in a building that was constructed during the 1970's. Today the building is in a state of disrepair and it fails to meet current seismic and post-disaster requirements. The Fire Department will need to replace 1 pumper/tanker fire truck within 2 years in order to comply with the requirements of the Fire Underwriter. Therefore, the current building has insufficient interior space to meet the future needs of the department.

On November 20 2012, Capital Regional District (CRD) staff issued a tender for construction of a new fire apparatus building for the Willis Point Fire Service. A total of six (6) bids were received and opened on December 12, 2012:

<u>Company</u>	<u>Tender Price (excluding tax)</u>
Brenton Construction Corp.	\$209,375.00
C&W Campbell	\$238,578.89
Century Group	\$247,500.00
Stint Construction	\$242,584.83
Island Westcoast	\$259,022.00
Arai Construction	\$276,200.00

Given that all bids exceeded the project's capital budget, the Willis Point Fire Protection and Recreation Facilities Commission requested that the tender be cancelled. Following cancellation, the Commission requested if it would be possible to approach the lowest bidder – Brenton Construction Corp. – to explore construction cost reduction strategies. CRD staff obtained legal advice affirming the feasibility to follow through on the Commission's request.

As a result of further project review with Brenton Construction Corp., cost-saving strategies were identified to bring the tender price down to \$162,845 (plus tax). The Commission and CRD staff agree that the revised design still meets the project requirements; furthermore, the Commission endorses that the CRD proceed with awarding construction contract 12-1751 to Benton Construction Corp.

ALTERNATIVES

1. That Contract 12-1751, Construction of the Willis Point fire apparatus building, be awarded to Brenton Construction Corp. in the amount of \$162,845 (plus tax).
2. That Contract 12-1751 not be awarded.

FINANCIAL IMPLICATIONS

Funding for construction of the Willis Point fire apparatus building, totaling \$162,845 (plus tax), will come from the Willis Point Fire Capital Reserve Fund. At the end of 2012 there was \$167,730 in the fund. A further \$47,800 has been budgeted to be added to capital reserves in 2013. The recommended tender award price is within the capital budget for the construction of the building.

CONCLUSION

The incoming bids on a tender call, conducted in November 2012, for construction of the Willis Point fire apparatus building all came in over budget; consequently, the Willis Point Fire Protection and Recreation Facilities Commission requested that the tender be cancelled.

Subsequently, at the Commission's request - and with legal advice affirming the right to do so – CRD staff approached the lowest bidder, Brenton Construction Corp., to explore construction cost-saving strategies to help make the project feasible within the available capital budget. As a result, the design was revised and the tender cost was adjusted to \$162,845 (plus tax). Both the Commission and CRD staff agree that the project requirements are still being met. The Commission endorses that the construction contract, in the amount of \$162,845, be awarded to Brenton Construction Corp.

RECOMMENDATION

That the Electoral Area Services Committee recommend to the Board that:

That Contract 12-1751, Construction of the Willis Point fire apparatus building, be awarded to Brenton Construction Corp. in the amount of \$162,845 (plus tax).

Rajat Sharma, MBA, CMA
Senior Manager, Financial Services

Diana E. Lokken, Dip Bus Admin, CMA
General Manager, Corporate Services
Concurrence

Robert Lapham, MCIP, RPP
Chief Administrative Officer
Concurrence