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**REPORT TO JUAN DE FUCA WATER DISTRIBUTION COMMISSION
MEETING OF TUESDAY, MAY 1, 2012**

**SUBJECT NEW WALFRED PUMP STATION – AWARD OF CONSTRUCTION CONTRACT
2012-673**

ISSUE

Award of the construction contract for the New Walfred Pump Station project.

BACKGROUND

The New Walfred Pump Station project will increase supply to the Walfred Reservoir to match projected demands, and will also allow the decommissioning of the Townview Pump Station and the existing Walfred Pump Station. The construction contract includes a new water pump station, pressure reducing valve and 600 meters of 300mm diameter water main. The design was completed by the Engineering Consultant, Stantec Consulting Ltd. (Stantec) on behalf of the Capital Regional District (CRD).

The engineering design and tendering of this project is complete and construction bids were received on April 20, 2012.

Five tenders were received for the project and reviewed by CRD staff and Stantec.

Received tenders are summarized in the following table:

Tenderer	Tender Amount (including HST)	Days to Complete
1. Kinetic Construction Ltd.	\$1,627,020.64	142
2. G&E Contracting Ltd.	\$1,657,600.00	140
3. Chew Construction Ltd.	\$1,837,136.00	150
4. Brunnell Construction Ltd.	\$1,891,836.80	152
5. Jacob Bros Construction Ltd.	\$1,901,140.64	148

ALTERNATIVES

Alternative 1 – That the Juan de Fuca Water Distribution Commission award the contract for the New Walfred Pump Station (tender reference No. 2012-673) to Kinetic Construction Ltd. for the amount of \$1,627,020.64 including HST.

Alternative 2 – That the Juan de Fuca Water Distribution Commission award the contract to another tenderer.

Alternative 3 – That the Juan de Fuca Water Distribution Commission not award the contract.

FINANCIAL IMPLICATIONS

Alternative 1 – Award of the contract to Kinetic Construction Ltd. in the amount of \$1,627,020.64 including HST is within the approved budget for this project. The bid meets the terms of the tender documents. Kinetic has previously undertaken contracts with the CRD and is experienced and capable of undertaking the work.

Alternative 2 – Award of the contract to another tenderer without valid reason will increase the project cost and would likely result in legal action by the low tenderer.


Alternative 3 – Not awarding the contract would have no financial implications, but the supply to Walfred Reservoir would become inadequate in the near future negatively affecting the service levels to residents in the area..

CONCLUSION

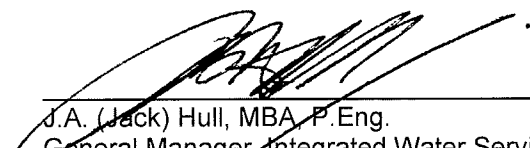
The bid received from Kinetic Construction Ltd. meets the terms of the tender (tender reference No. 2012-673) and is within the project budget. It is recommended that Kinetic Construction Ltd. be awarded the Contract for the New Walfred Pump Station.

RECOMMENDATION


That the Juan de Fuca Water Distribution Commission award the contract for the New Walfred Pump Station (tender reference No. 2012-673) to Kinetic Construction Ltd. for the amount of \$1,627,020.64 including HST.



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