

**REPORT TO THE CAPITAL REGIONAL HOSPITAL DISTRICT BOARD
MEETING OF WEDNESDAY, AUGUST 2, 2017**

SUBJECT **The Summit at Quadra Village Project
Main Works Packages
Award of Contracts CRHD.2017-4-007 through CRHD.2017-11-014 inclusive**

ISSUE

To seek approval for award of Contracts CRHD.2017-4-007 through CRHD.2017-11-014 for various trade scopes for the Summit project, as part of scheduled Main Works tender packages.

BACKGROUND

The Capital Regional Hospital District (CRHD) Board, under a Master Development Agreement with the Vancouver Island Health Authority (Island Health), has been planning the Summit at Quadra Village Project (the Summit) 320-bed complex residential care facility since 2014. The Summit will provide modern replacement beds for Oak Bay Lodge and Mt. Tolmie Hospital, facilities that have reached their end of life. The estimated construction cost for the entire project is \$65 million plus appropriate contingencies.

CONTRACT TENDER RESULTS

These contracts are part of the Summit at Quadra Village project's 'Main Works' packages. Their trade scopes deal primarily with the building envelope-related elements of the structure as well as interior partitions and the building's electrical system.

The specific trade contracts are:

C-006 Concrete Unit Masonry
C-007 Structural Steel
C-009 Cabinetwork
C-013 Preformed Metal Siding
C-014 Modified Bituminous Membrane Roofing
C-019 Gypsum Board
C-028 Wall and Door Protection
C-038 Electrical

The aggregate value of these trade contracts was estimated during the Contract Documentation phase at \$20,040,800. Each of these contracts was issued for public tender as part of an omnibus public tender call on May 9, 2017 and compliant bids were received at tender closing on June 20, 2017. The aggregated lowest compliant recommended tenders total \$17,269,774, which is approximately 13.83% under budget. The tenders for each contract have been reviewed for compliance with the tender documents, clarified and equalized, and checked for mathematical errors. [*Refer to Appendix A for further details.*]

ALTERNATIVES

1. a) That Contract CRHD.2017-04-007-Concrete Unit Masonry for the Summit at Quadra Village Project be awarded to Rob Tournour Masonry Ltd. in the amount of \$857,400 [excluding GST] and that a project contingency of \$25,722 [excluding GST] be approved.
- b) That Contract CRHD.2017-05-008-Structural Steel for the Summit at Quadra Village Project be awarded to Alliance Engineering Works [1985] Ltd. in the amount of \$539,000 [excluding GST] and that a project contingency of \$16,170 [excluding GST] be approved.

- c) That Contract CRHD.2017-06-009-Cabinetwork for the Summit at Quadra Village Project be awarded to Fraser Valley Industries Ltd. in the amount of \$1,116,293 [excluding GST] and that a project contingency of \$33,489 [excluding GST] be approved.
- d) That Contract CRHD.2017-07-010-Preformed Metal Siding for the Summit at Quadra Village Project be awarded to Topline Roofing Ltd. in the amount of \$2,025,881 [excluding GST] and that a project contingency of \$60,776 [excluding GST] be approved.
- e) That Contract CRHD.2017-08-011-Modified Bituminous Membrane Roofing for the Summit at Quadra Village Project be awarded to Topline Roofing Ltd. in the amount of \$1,459,258 [excluding GST] and that a project contingency of \$43,778 [excluding GST] be approved.
- f) That Contract CRHD.2017-09-012-Gypsum Board for the Summit at Quadra Village Project be awarded to Dryco Systems Inc. in the amount of \$4,775,000 [excluding GST] and that a project contingency of \$143,250 [excluding GST] be approved.
- g) That Contract CRHD.2017-10-013-Wall and Door Protection for the Summit at Quadra Village Project be awarded to McGregor & Thompson Hardware Ltd. in the amount of \$617,770 [excluding GST] and that a project contingency of \$18,533 [excluding GST] be approved.
- h) That Contract CRHD.2017-11-014-Electrical for the Summit at Quadra Village Project be awarded to Canem Systems Ltd. in the amount of \$5,879,172 [excluding GST] and that a project contingency of \$176,375 [excluding GST] be approved.

2. That the report be referred back to staff for further information based on CRHD Board direction.

FINANCIAL IMPLICATIONS

The development of the Summit at Quadra Village is a priority project for both the CRHD and for our contractual operating tenant, Island Health.

The lowest compliant tenders in each scope indicates an aggregated contract cost of \$17,269,774. This amount is below the budget amount currently allocated for these scopes by \$2,771,026 (excluding contingencies) which is approximately 13.83%. These funds remain allocated to the project budget and can be accessed for subsequent project contracts. Contract progress payments will be drawn from the construction portion of the CRHD Board-approved \$86,443,285 Summit project budget. The entire project is on track from a budget perspective.

TIMING IMPLICATIONS

The construction of the Summit at Quadra Village is a highly-anticipated priority project. The CRHD is contractually obliged to deliver this facility for Island Health tenancy to commence on schedule in the spring/summer of 2019. These trade contracts are part of a continuous chain of construction processes leading to that goal. The balance are still being analyzed and will be presented for execution at the September Board meeting.

CONCLUSION

Following tender closing, the Mechanical contract was expedited for approval at the July CRHD Board meeting. The additional summarized bids in this staff report have been found to be complete and within budget. If awarded by the Board on August 2, 2017, ordering and coordination work will commence immediately.

RECOMMENDATIONS

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Submitted by:	David Wilkinson, Architect AIBC, Summit Project Manager
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Appendix A – Tender Summaries with Construction Manager's Recommendations

Appendix B – Standard Form of Agreement between the Capital Regional District and the Respective Trade Contractors