

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, FEBRUARY 03, 2021**

SUBJECT **Award of Contract RFP No. CRHD.2020-03 - Construction Management Services for the Demolition of Oak Bay Lodge**

ISSUE SUMMARY

To seek approval for award of Contract RFP No. CRHD.2020-03 for Construction Management Services for Demolition of the Oak Bay Lodge property.

BACKGROUND

The Capital Regional Hospital District (CRHD) took over ownership of Oak Bay Lodge (2251 Cadboro Bay Road) from Vancouver Island Health Authority (VIHA) on August 14, 2020. On December 8, 2020, CRHD issued a Request for Proposals for Construction Management Services to oversee the hazardous materials remediation and demolition of Oak Bay Lodge. The Request for Proposals was listed on BC Bid and closed on December 22, 2020 at 4pm.

Proposals that met all requirements contained in the Request for Proposals were evaluated. Seven proposals were evaluated. Technical proposals were evaluated on construction management experience, demolition knowledge, project manager experience, qualifications and local government experience, methodology, proposed work plan, reporting format and references. Once scored, the financial proposals were evaluated based on CRHD policy. Two proposals were evaluated. The lowest financial proposal was submitted by Unitech Construction Management.

Unitech Construction Management has extensive construction management experience, experience working with local government, and managing projects on time and on budget. See Appendix A and B for proposal summary and construction management contract template.

ALTERNATIVES

Alternative 1

The Hospitals and Housing Committee recommends to the Capital Regional Hospital District Board:

That Contract RFP No. CRHD.2020-03 for Oak Bay Lodge Construction Management Services for Demolition be awarded to Unitech Construction Management for \$43,000 plus a contingency of \$3,000 for additional services if warranted.

Alternative 2

That the Award of Contract RFP No. CRHD.2020-03 - Construction Management Services for the Demolition of Oak Bay Lodge report be referred back to staff for further information based on Hospitals and Housing Committee direction.

IMPLICATIONS

Financial Implications

The development of the Oak Bay Lodge property is a priority project for the CRHD and is the subject of high community interest. The lowest quote was \$43,000. A contingency of \$3,000 is requested for additional services if warranted. Consultant fees will be funded from the CRHD Administration and Feasibility Studies Reserve.

Timing Implications

The redevelopment of the Oak Bay Lodge property is a highly-anticipated priority project. CRHD staff will begin working with Unitech to procure necessary services and make applications to the City of Oak Bay as soon as possible. The demolition is anticipated to take around eight months to complete.

Intergovernmental Implications

Staff will work with the District of Oak Bay staff throughout the process to ensure all permits are in place as needed.

Next Steps

This contract award is for construction management services. The construction manager will aid in the tendering of contract documents, trade packages, site management, and reporting. Next steps will include public tendering and future contracts for general conditions, hazardous material remediation and demolition.

CONCLUSION

Awarding a Construction Management contract will allow CRHD to proceed with the remediation and demolition of the building which is past its useful life and pave the way for the redevelopment of the property.

RECOMMENDATION

The Hospitals and Housing Committee recommends to the Capital Regional Hospital District Board:

That Contract RFP No. CRHD.2020-03 for Oak Bay Lodge Construction Management Services for Demolition be awarded to Unitech Construction Management for \$43,000 plus a contingency of \$3,000 for additional services if warranted.

Submitted by:	Michael Barnes, MPP, Senior Manager, Health & Capital Planning Strategies
Concurrence:	Kevin Lorette, P. Eng., MBA, Acting Chief Administrative Officer

ATTACHMENTS

Appendix A: RFP No. CRHD.2020-03 Proposal Summary

Appendix B: Construction Management Contract Template