

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: July 21, 2025

TO: Mayor and Council

FROM: Corrine Haer, P.Eng., Manager, Engineering

SUBJECT: Contract Award – New Water Well #5 BC Hydro Work

RECOMMENDATIONS

THAT Council:

1. Receive the corporate report dated July 21, 2025, from the Manager of Engineering, titled “Contract Award – New Water Well #5 BC Hydro Work;”
2. Approve award of New Water Well #5 BC Hydro Construction Work to Crescent Electrical Contractors Ltd. in the amount of \$258,900 (excluding GST); and
3. Approve award of BC Hydro Power Distribution Extension to BC Hydro in the amount of \$136,580 (excluding GST); and
4. Authorize the Director of Engineering and Municipal Operations to execute all contract documentation required for the project.

EXECUTIVE SUMMARY

The purpose of this corporate report is to obtain Council approval to award the New Water Well #5 BC Hydro Construction Work Contract to Crescent Electrical Contractor Ltd. in the amount of \$258,900 (excluding GST) as identified in Appendix A.

The city currently has seven ground water wells to provide drinking water to the city. The original Well #5, located at Buena Vista Avenue and Oxford Street, was decommissioned in 2018 due to saltwater intrusion. In December 2022, Council awarded the drilling contract for the New Water Well #5, and this work was substantially completed mid-2023. In January 2024, Council awarded the civil work to Drake Excavating (2016) Ltd. The civil work is at 80% completion. BC Hydro power distribution extension work would be needed before the Drake Excavation (2016) Ltd. can complete the final tie in and commissioning of the New Water Well #5.

This project also provides BC Hydro power grid connection to the New Water Well #5 before it can tie into the City’s water system.

PREVIOUS COUNCIL DIRECTION

Motion # & Meeting Date	Motion Details
2022-449 December 5, 2022	THAT Council: <ol style="list-style-type: none">1. Receive the Corporate report dated December 5, 2022, from the Director of Engineering and Municipal Operations, titled “Contract Award – New Water Well #5 Drilling”;2. Approve award of New Water Well #5 Drilling to Drillwell Enterprises Ltd. in the amount of \$279,625 (excluding GST); and3. Authorize the Director of Engineering and Municipal Operations to execute all contract documentation required for the project. <p style="text-align: right;">CARRIED</p>
2024-011 January 15, 2024	THAT Council: <ol style="list-style-type: none">1. Receive the corporate report dated January 15, 2024, from the Manager, Engineering, titled “Contract Award – New Water Well #5 Completion and Site Work;”2. Approve additional funding of \$800,000 in 2024 for this project from the Water Infrastructure (capital) Reserve in advance of approving the 2024 Consolidated Five-Year Financial Plan;3. Approve award of New Water Well #5 Civil Work to Drake Excavating (2016) Ltd. In the amount of \$1,420,000 (excluding GST);4. Approve award of construction management and contract administration to Kerr Wood Leidal in the amount of \$68,250 (excluding GST); and5. Authorize the Director of Engineering and Municipal Operations to execute all contract documentation required for the project. <p style="text-align: right;">CARRIED</p>

INTRODUCTION/BACKGROUND

The city’s water utility provides safe and clean drinking water to its residents and businesses, sourced from Sunnyside Aquifer and treated at the City’s Water Treatment Plant. Population growth, climate change and sea level rise all put increasing pressure on the city’s water supply system.

The city currently operates seven ground water wells that have the capacity to extract between 19 L/s and 28.7 L/s of raw water each. The city’s most recent well installation, New Water Well #5 was installed in 2023 and has the capacity to extract 34.2 L/s.

This project is critical to supplying power to New Water Well #5, as the existing BC Hydro infrastructure cannot meet its increased power demands. The New Water Well #5 will eventually tie into the City’s water system, and therefore, will increase the city’s total well capacity, allowing the city to meet the needs of projected population growth and predicted climate change impacts.

ANALYSIS

Kerr Wood Leidal (KWL) was retained to provide design and contract management services for the New Water Well #5 project. However, the electrical upgrade to connect to the power grid must be designed by BC Hydro. Subsequently, BC Hydro provided construction drawings for the City to manage the BC Hydro design project. KWL reached out to three electrical contractors with similar experience for this work. The city received three bids for the construction work and the results are summarized in the table below.

Table 1 – Bid Summary

Design	Price (excluding GST)
BC Hydro	\$ 136,580 ¹
Contractor	Price (excluding GST)²
Crescent Electrical Contractors Ltd.	\$ 258,900
Drake Excavating (2016) Ltd.	\$ 289,976
SASCO Contractors Ltd.	\$ 291,985

¹BC Hydro price includes \$33,707.87 savings from BC Hydro's new distribution extension policy changes expected to take effect on July 5, 2025.

²Contractor price includes arithmetic correction to the submitted bids.

KWL reviewed the bids on behalf of the City and determined that Crescent Electrical Contractors Ltd. will provide the best value to the City. Additionally, Crescent Electrical Contractors have a proven track record in completing numerous projects for the City given that they are the City's As & When contractor that provides electrical services.

FINANCIAL IMPLICATIONS

The design and construction of the New Water Well #5 has approved funding of \$2.625M in the 2022/2023/2024 Financial Plan. The BC Hydro work will be funded from the New Water Well #5 budget as previously endorsed by Council and no additional funding will be required.

A summary of the project budget is as follows:

Table 2 – Project Budget

	Total
Total approved 2022/2023/2024 funding (Project code 30048)	\$2,625,000
Previously approved detailed design, construction management and contract administration	\$335,800
Previously approved New Water Well #5 Drilling Services	\$279,625
Previously approved New Water Well #5 Civil and Site Works	\$1,447,659 ³
BC Hydro Power Distribution Extension (BC Hydro)	\$136,580
BC Hydro Construction Work (Crescent Electrical Contractors Ltd.)	\$258,900
Provincial Well Licensing Application (approximation)	\$10,000
SCADA control system upgrades (approximation)	\$100,000
Fiber Optics (approximation)	\$10,000
Remaining Contingency Balance	\$46,436
Remaining budget	\$0

³Total price includes two change orders for contaminated soil and additional site grading within the Council approved contingency for the civil and site works portion of the project.

As this project gets closer to completion, staff have used the originally authorized contingency to support the project as it has progressed. The contemplated BC Hydro work identified in this report draws from some of that original contingency.

Staff are confident the remaining contingency will be sufficient to support the project and bring it to completion.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS

Staff will continue to work directly with Recreation and Culture to mitigate impacts of the construction on Centennial Arena, Peninsula Productions and the Center for Active Living operations and nearby parking lot. Recreation and Culture will be informed of the contractor's schedule and lay-down area prior to project commencement.

CLIMATE CHANGE IMPLICATIONS

During the heat dome that occurred in summer 2021, demand for potable water reached close to maximum capacity of the city's seven ground water wells. With projected climate change impacts, including more extreme weather events, it's prudent the city continues to increase total well capacity.

ALIGNMENT WITH STRATEGIC PRIORITIES

This project is aligned with the Infrastructure Strategic Priority that identifies that the City plan, build and maintain infrastructure to enhance quality of life and civic service delivery while mitigating and adapting to environmental impacts. Specifically, this project ensures future infrastructure resiliency by making decisions through a long-term lens.

OPTIONS / RISKS / ALTERNATIVES

The following option is available for Council's consideration:

1. Not approve the recommendation to award the New Water Well #5 BC Hydro Construction Work to Crescent Electrical Contractors Ltd., preventing the increase in the city's total well capacity. This in turn has a risk of compromising future water delivery and requiring the city's existing wells to operate at maximum capacity during extreme weather events, resulting in more frequent well replacements. Additionally, there is a risk that the city may not be able to keep up with water demand if a new well is not connected to the City's water system.

CONCLUSION

Staff recommend that the New Water Well #5 BC Hydro Construction Contract be awarded to Crescent Electrical Contractors Ltd. in the amount of \$258,900 (excluding GST) and that BC Hydro be awarded the Power Distribution Extension in the amount of \$136,580. Additionally, staff recommend that the Director, Engineering & Municipal Operations be authorized to execute all contract documentation required for the project to proceed.

Respectfully submitted,

Approved by,



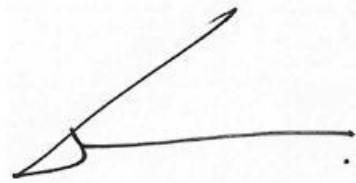
Corrine Haer, P.Eng.
Manager, Engineering



Jim Gordon, P.Eng.
Director, Engineering & Municipal Operations

Comments from the Chief Administrative Officer

I concur with the recommendations of this corporate report.



Guillermo Ferrero
Chief Administrative Officer

Appendix A: BC Hydro Construction Work - Tender Summary