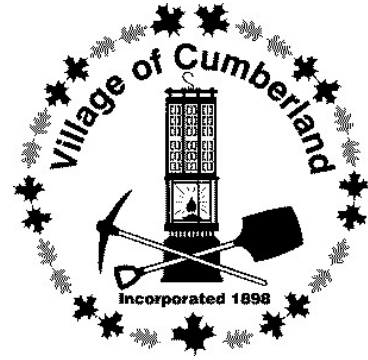


COUNCIL REPORT



File No. 5340-12

REPORT DATE: July 17, 2026
MEETING DATE: July 27, 2026

TO: Mayor and Councillors
FROM: Jason Wallace, Manager of Municipal Projects
SUBJECT: High Performance Lagoon (HPL) Upgrades - Phase 2 Tender Results

RECOMMENDATION

THAT Council approve the award of the High Performance Lagoon (HPL) Upgrades - Phase 2 Tender to Milestone Contracting Inc in the amount of \$1,074,903.00 (excluding GST); and
THAT Council authorize the Chief Administration Officer to execute the contract.

PURPOSE

The purpose of this report is to provide Council with the results of our High Performance Lagoon (HPL) Upgrades - Phase 2 Tender for construction of the Phase 2 work and seek approval to award the construction to Milestone Contracting Inc.

PREVIOUS COUNCIL DIRECTION

Date	Resolution
Dec 8, 2025	THAT Council receive the Wastewater Project Update for information.
June 9, 2025	THAT Council authorize the sole sourcing of the remaining design and engineering work for Phase 2 of the Wastewater Upgrade Project to McElhaney Engineering, pursuant to Section 5.9 of the Village of Cumberland Purchasing Management Services Policy. THAT Council approve to increase the budget for the "Wastewater Upgrade Project Phase 1" from \$17,617,400 to \$18,117,400 and to decrease the budget for the "Wastewater Upgrade Project Phase 2" from \$4,360,000 to \$3,860,000 by reallocating \$500,000 from Phase 2 to Phase 1 of the Wastewater Upgrade Project. THAT Council direct staff to bring forward an amendment to the adopted 2025-2029 Financial Plan Bylaw to reflect this expenditure.
April 28, 2025	THAT Council receive the presentation Wastewater Project Update presentation from Hans Seidemann, Senior Project Manager with Colliers Project Leaders.

Oct 28, 2024	THAT Council receive the presentation Wastewater Project Update presentation from Hans Seidemann, Senior Project Manager with Colliers Project Leaders. THAT Council authorize construction activities to be resumed without exceeding the current Council approved project budget. THAT Council approve the additional expenditure of \$1,557,400 to increase the budget for the “Wastewater Upgrade Project Phase 1” from \$16,060,000 to \$17,617,400, with: • \$980,000 to be funded from borrowing approved earlier this year, and • \$577,400 to be funded through the Linear Asset Renewal Reserve. THAT Council direct staff to bring forward an amendment to the adopted 2024-2028 Financial Plan Bylaw to reflect this expenditure.
Feb 12, 2024	THAT Council approve the additional expenditure of \$1,520,000 to increase the budget for the “Wastewater Upgrade Project Phase 1” from \$14,550,000 to \$16,070,000, with: a. \$791,700 to be funded through Community Works Funds; and b. \$406,000 to be funded through the Sewer and Water Infrastructure Asset Replacement Reserve; and c. \$187,300 to be funded through the Sewer Stabilization Reserve; and d. \$135,000 to be funded through Host Amenity Funds. III. THAT Council direct staff to bring forward an amendment to the adopted 2024-2028 Financial Plan Bylaw to reflect this expenditure. IV. THAT Council direct staff to bring forward an amendment to the adopted 2023-2027 Financial Plan Bylaw to reflect a change in funding for the Bevan Road Project with \$560,000 coming from the Linear Asset Renewal Reserve. V. THAT Council direct staff to bring forward an amendment to the adopted 2024-2028 Financial Plan Bylaw to: a. Update the funding for the Sewer and Storm Master Plan with \$151,500 coming from the Linear Asset Renewal Reserve. b. Remove the \$135,000 contribution from the Host Amenity Funds towards the General Municipal Facility Asset Renewal Reserve. VI. THAT Council direct staff to prepare a loan authorization bylaw for the borrowing of an amount of \$2,500,000 for the proposed budget increase to the “Wastewater Upgrade Project Phase 1” through the Municipal Financial Authority of British Columbia, with a term of 20 years.
Jun 12, 2023	THAT Council approve the additional expenditure of up to \$2,140,000 to increase the budget for the “Phase 1 Wastewater Upgrade Project” from \$12,410,000 to \$14,550,000, with: • \$1,840,000 to be funded through Growing Community Funds; and

	• \$300,000 to be funded through Sewer and Water Infrastructure Asset Replacement Reserve; That Council approve an increase of \$1,600,000 of the Maple Reinders contract to proceed with purchasing and construction of Phase 1 of the project, to the extent of the newly authorized budget; THAT Council approve the expenditure of up to \$3,710,000 for the “Phase 2 Wastewater Upgrade Project, construction of “Phase 2A and 2B” and preconstruction and construction of “Phase 2C and 2D”: • \$2,500,000 to be funded through Strategic Priorities Fund; and • \$855,000 to be funded through GMF (borrowing/grant); and • \$355,000 to be funded through Sewer and Water Infrastructure Asset Replacement Reserve; THAT Council authorize staff to expand the scope of the Maple Reinders contract to include \$1,515,000 to execute the first portion of “Phase 2A and 2B Wastewater Upgrade Project – Construction Program; and THAT Council direct staff to bring forward an amendment to the adopted 2023-2027 Financial Plan Bylaw to reflect these expenditures.
Mar 27, 2023	THAT Council receive the report “Wastewater Upgrade Project – Budget Update” for information.
Jan 23, 2023	THAT Council receive the report “Wastewater Upgrade Project – Project Update” for information.
Sep 21, 2022	THAT Council approve the additional expenditure of up to \$2,710,000 for “Phase 1 Wastewater Upgrade Project” with: • \$1,550,000 to be funded through Sewer and Water Infrastructure Asset Replacement Reserve; and \$1,160,000 to be funded through GMF (borrowing/grant).
Sep 21, 2022	THAT Council approve the expenditure of up to \$650,000 for “Phase 2 Wastewater Upgrade Project – Pre-Construction Program” with: • \$195,000 to be funded through Sewer and Water Infrastructure Asset Replacement Reserve; and \$455,000 to be funded through GMF (borrowing/grant).
June 27, 2022	That Council approve making the application to the Gas Tax Strategic Priorities Fund for funding of Phase 2 of the High Performance Wastewater Lagoon Upgrade Project, for a grant value of \$2,500,000.
June 27, 2022	That Council commit to funding the municipal portion of project (\$2,440,000) using a combination of existing, approved Green Municipal Fund funding and sewer reserves for a total project amount of \$4,940,000.
Feb 14, 2022	THAT Council adopt Option 2 – the integrated project approach – as the preferred grant funding strategy for the Wastewater Upgrade Project; THAT Council approve applying for scope change to ICIP1 funding to remove the Reed Bed and Wetland components from the Phase 1 project scope;
Feb 14, 2022	That Council approve making the application to the Investing in Canada Infrastructure Program, Environmental Quality stream, intake 3, for funding

	of Phase 2 of the High Performance Wastewater Lagoon Upgrade Project, for a grant value of \$2,260,000.
Feb 14, 2022	That Council commit to funding the municipal portion of project (\$2,440,000) using a combination of existing, approved Green Municipal Fund funding and sewer reserves for a total project amount of \$4,700,000
July 23, 2018	i. That Council authorize the application to the “<i>ICIP – Green Infrastructure: Environmental Quality Sub-stream</i>” for a Wastewater Capital Project for: a. The Project Scope of Phase 1, Phase 2A and the Biochar Media Reed Bed b. A funding amount of 73% of the estimated \$9.7 million total cost, being \$7,081,000 c. Submission for the August 29, 2018 intake ii. AND THAT Council supports the project and commits to its share (\$2,619,000) of the project.

BACKGROUND

The Village's Wastewater Treatment Facility, located at 2934 Ulverston Avenue, treats wastewater using a series of treatment lagoons. The High Performance Lagoon (HPL) Upgrades project is being delivered in phases to improve treatment performance, effluent quality, and the long-term reliability of the facility. This report addresses the results of the tender for Phase 2 of the HPL Upgrades.

A geotechnical assessment of the lagoon berms identified stability concerns with the east berm of the north lagoon, adjacent to Maple Lake Creek. Phase 2 of the HPL Upgrades addresses this, along with related treatment and discharge infrastructure improvements, through the following scope of work:

- Maple Lake Creek relocation, including mobilization, clearing and grubbing, earthwork, erosion and sediment control, and environmental planting and restoration.
- Treated effluent discharge, flow control structure and reed bed final treatment facility, including supply and installation of HDPE pipe and manholes, a precast concrete flow control structure with slide gates and cast-in-place concrete divider wall, and an engineered reed bed pond complete with biochar filtering bed, under-drain collection system, discharge piping and final outfall.
- Interim discharge removal and discharge box decommissioning, including removal and disinfection of the existing HDPE overland pipe and sealing of the existing concrete weir manhole with concrete.
- Creek backfill and lagoon buttress construction, including clearing and grubbing, earthworks, berm construction with an access road, erosion and sediment control, and restoration.
- Supply and installation of the Extreme Wet Weather Flow (EWWF) pond, complete with chlorination and de-chlorination systems, discharge manhole, discharge channel, and armouring.
- Mobilization and demobilization for optional items awarded as an extension to the contract.

To allow for this procurement to take place the creek relocation was deemed required work while the other work was classified as optional. The recommended contract award to Milestone Contracting for \$1,074,903 includes the optional items listed above. These are items that are LWMP dependent. They will be added to the project once the LWMP approval is complete.

This work is weather dependent. The creek relocation work will be completed first as it is the most affected by the wetter weather.

The relocation of Maple Lake Creek, and the reed bed and EWWF pond components where included, are also expected to provide ecological benefits along the creek corridor, including additional open water habitat for birds, amphibians, and fish.

Competitive Procurement Process

Following completion of the design, a tender package (ITT-2601) was prepared by the Village's design consultant, McElhanney Ltd., and issued on June 25, 2026. An optional pre-tender site meeting was held on July 8, 2026, at the Wastewater Treatment Facility. Tenders closed at 2:00 p.m. on July 23, 2026.

2 bid responses were received, ranging in value from \$1,074,903.00 to \$1,338,780.00, exclusive of GST, as noted in the attachment below.

Social procurement was considered as part of the tender process, consistent with the Village's Social Procurement Framework. Milestone Contracting Inc's submission was able to demonstrate the following social procurement goals were met:

- Education and progression of local workforce.
- Inclusion of systems to reduce, reuse, recycle, rejuvenate.
- Supporting local charities and non-profits.
- Offering over and above the current living wage of the Comox Valley.
- Meaningful engagement and employment of Indigenous peoples.
- Indicated established First Nations partnerships.
- Value added community contributions.
- Local hiring and community support.

FINANCIAL IMPLICATIONS

Tenders for ITT-2601 close at 2:00 p.m. on July 23, 2026.

The tender amount in the recommendation for award above is \$1,074,903.00, which is within the budget earmarked for this work and the budget leaves room for contingency.

Council approved the following funding sources for HPL Upgrades Phase 2:

Funding Source	Amount
Strategic Priorities Funds CWF Grant	\$2,500,000
Development Cost Charges (Sewer)	\$50,000
GMF (15% grant)	\$170,000
GMF (borrowing)	\$1,140,000
Total Funding	\$3,860,000

The budget of \$3,860,000 is for construction (award recommendation in this report), soft costs

and contingency. Staff is working to update HPL Phase 1 and 2 actual and forecast and will present a project budget update to Council in the fall.

OPERATIONAL IMPLICATIONS

As with any capital works project, time from our Operations and Engineering staff will be required, both during construction and upon completion, to inspect the completed works. This work is important to the continued reliable operation of the Wastewater Treatment Facility and ongoing compliance with the Village's Operational Certificate and applicable wastewater regulatory requirements.

CLIMATE CHANGE IMPLICATIONS

No significant climate change implications for the proposed work, other than adverse weather that may impact the construction schedule, have been identified. Carbon emissions resulting from work vehicles will be reported in the Village's annual reporting for the Local Government Climate Action Program. The creek relocation and restoration components of the project are expected to provide ecological benefits, including habitat creation along Maple Lake Creek.

ALTERNATIVES

- i. THAT Council approve the award of the High Performance Lagoon (HPL) Upgrades - Phase 2 Tender to Milestone Contracting Inc for a reduced and specified scope; and
THAT Council Authorize the Chief Administration Officer to execute the contract.
 1. Cancel the tender and not award the construction work to Milestone Contracting Inc.
 2. Not proceed with any action at this time.

STRATEGIC OBJECTIVE

- ☐ Diverse & Healthy Community
- ☒ Sustainable Service Delivery & Asset Management
- ☐ Community Planning

ATTACHMENTS

1. ITT2601 Bid Evaluation 20260723
2. ITT2601 Tender Evaluation Detailed

CONCURRENCE

Annie Bérard-Ball, Director of Corporate Services **ABB**

Respectfully submitted,

Jason Wallace

Jason Wallace
Manager of Municipal Projects

M. Mason

Michelle Mason
Chief Administrative Officer

Our File: 2241-24007-01

July 23, 2026

Jason Wallace
Manager of Municipal Projects
Village of Cumberland
2673 Dunsmuir Avenue
Cumberland, BC V0R1S0

ITT 2601 High Performance Lagoon – Phase 2 Bid Evaluation

McElhanney has reviewed tender submissions provided by the Village of Cumberland for the above noted project. Below is a summary of the two received bids, a detailed breakout is enclosed.

Contractor	Total (net of GST)	
Milestone Equipment Contracting Inc.	Base Scope:	\$229,523.00
	Optional Work:	\$845,380.00
	Total Price:	\$1,074,903.00
Knappett Industries (2006) Ltd.	Base Scope:	\$566,930.00
	Optional Work:	\$821,850.00
	Total Price:	\$1,388,780.00

No irregularities were noted in either tender submission.

We recommend awarding to Milestone Equipment Contracting Inc.

We trust this is as you require. Please do not hesitate to contact the undersigned with any questions.

Sincerely,
McElhanney Ltd.



Matt Sanderson, PLEng
msanderson@mcelhanney.com

MS/njg

Encl.



Mark DeGagne, PEng
mdegagne@mcelhanney.com

2241-24007-01 - Village of Cumberland
HPL Upgrade Phase 2 - Detailed Bid Evaluation
ITT 2601

23-Jul-26

Milestone Equipment
Contracting Inc

Knappett Industries
(2006) Ltd.

BASE SCOPE		
Creek Relocation	\$ 229,523.00	\$ 566,930.00
OPTIONAL ITEMS		
Mobilization / De-mobilization	\$ 63,311.00	\$ 18,000.00
Disinfected Discharge / Splitter / Reed Bed	\$ 400,509.00	\$ 432,720.00
Removal / Decommissioning	\$ 10,242.00	\$ 6,400.00
Creek Infill / Buttress	\$ 103,190.00	\$ 88,050.00
EWWF Pond / Disinfection	\$ 268,128.00	\$ 226,680.00
ALL ITEMS [BASE + OPTIONAL = BID PRICE]	\$ 1,074,903.00	\$ 1,338,780.00