BUSINESS

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DEPARTMENT OF NATIONAL DEFENCE

An artist's conception of the new five-bay fire hall at CFB Esquimalt.

Mainland firm awarded new fire hall contract

Preview Builders bids $18.6 million to construct 3,605-square-metre facility

CARLA WILSON
Times Colonist

Preview Builders Inc. submitted the lowest of six bids for CFB Esquimalt's long-awaited new fire hall and emergency response centre — the latest project in a multi-million-dollar building boom on the base over the past 18 months.

While the fire hall project moves ahead, work has just wrapped up on the new hazardous materials building at the Dockyard in Esquimalt. Victoria's Kinetic Construction was the low bidder among 10 for the $14.5-million Hazmat building.

National Defence Minister Peter MacKay is expected in Victoria on Wednesday to speak about CFB Esquimalt's building projects. MacKay was here in May 2009 announcing $266 million worth of work, including the forth phase to modernize the Cape Breton fleet maintenance at the Dockyard. The $47.3-million contract for that phase, which created more than 255 direct jobs, was awarded a year ago to Stuart Olson Constructors Inc. of Richmond.

A new fire hall-emergency response centre has been on the wish list for base firefighters for several years.

They are currently working out of a cramped fire hall, built more than 55 years ago.

Five years ago, fire officials said that bigger trucks filled the bays and increasingly complex emergency responsibilities required more space.

Today's services include fire fighting, emergency dispatch, rescues such as emergencies at high elevations and angles and in confined spaces, marine disaster, response to earthquakes and toxic environment, helping injured people as first responders, and nuclear and damage control, the DND website states.

The new two-wing facility will be 3,605 square metres, have five drive-through bays for emergency vehicles, and has been designed to be operational following an earthquake, a DND release said yesterday. The project includes a second phase to demolish the existing fire hall.

The bidding range for the new fire hall was tight. Preview, a mainland company, submitted the low bid at $18,598,807. Victoria's Farmer Construction had the highest bid of slightly more than $19 million. Defence Construction Canada had earlier valued the project at $23.5 million so it came in considerably under budget.

All bids now go to the national office of DCC for review prior to the contract being officially awarded. Once that happens, the job must be finished within 18 months and construction could start this fall.

Fire hall bids to DCC were opened publicly in the Vancouver Island Construction Association's board room. Construction company representatives gathered around the table at 2 p.m. on Wednesday to watch Alex Hall, DCC Esquimalt contract services officer, slice open sealed envelopes containing the bids, and read out the amounts.

These are tense moments for companies.

One company official raced to submit the final bid figure just a few minutes before the submission deadline. All bids must be time-stamped based on a certified clock in the association's office. Late bids are not opened and therefore not considered.

It is not uncommon for company officials to sit outside the association's office in their vehicles, waiting for final word from their head offices on what amount to bid. Negotiations with some sub-contractors can continue until just moments before bids are due, said Greg Baynton, construction association president.

A key part of the tender deliberations took place last Friday when five major trades bid online for bundled packages of work. This system clarified what work had to be done, leaving only the price up for bid by the trades. The online trades bidding represent about 50 to 60 per cent of the value of a bid.

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Bear Mountain turns off sales

Real estate office shut; key additions to executive

ANDREW A. DUFFY
Times Colonist

Bear Mountain Resort, under court ordered creditor protection since March, is closing its real estate office and cutting staff.

The resort also announced several personnel changes in key executive positions and said it is business as usual at other operations — including the two Jack Nicklaus-designed golf courses.

Citing current real estate market conditions, Gary Cowan, chief executive of Bear Mountain, said the real estate office is closed effective immediately and the marketing department has been reorganized.

The sales and marketing of the resort will now be handled by Victoria real estate agent Peter Gaby of DFH Real Estate.

In a letter to staff, Cowan said: "Change is never easy. Change is also fundamental to the future success of Bear Mountain. The changes I share with you today represent a new beginning and an infusion of positive energy and expertise to strengthen the position of Bear Mountain in today's competitive global market."

In an interview, Cowan said the closure will mean the loss of eight people.

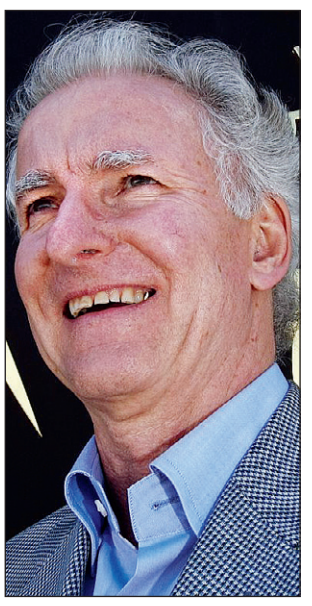
"It's always difficult when you're affecting a group of people that have been an integral part of an organization and done a good job, but this is a reflection of the position we're in and the market we're in," he said.

Gaby will be listing and marketing the 14 units remaining at the Finlayson Reach condominium development where prices range from $300,000 to $1 million.

As for new construction, Cowan said that remains on his radar screen as does the future of land in the area.

"I will spend the next several months reviewing the whole land-use plan and looking at opportunities to move that part of the project forward," he said."

But the main focus right now appears to be making the most of the exposure gained during the 2010 Telus World Skins Game — which put the Bear Mountain golf courses in front of millions of viewers — and selling Bear Mountain Resort as a golf and vacation destination.



ADRIAN LAM, TIMES COLONIST

Bear Mountain Resort CEO Gary Cowan said cutting real estate sales and laying off eight staff was a "reflection of the position we're in and the market we're in."

"We have an opportunity to build on that," he said.

To that end Cowan announced the addition of four new members to the resort's executive team, saying the appointments "represent the next phase of the transformation of Bear Mountain."

Francis Parkinson, previously of the Fairmont Waterfront Hotel in Vancouver, assumes the position of general manager of resort operations. He brings 40 years of experience to the job, including stints at Fairmont's Banff Springs Hotel and the Fairmont Vancouver Airport.

On an interim basis, hospitality industry veteran David Thomson will join the group to oversee resort sales. Thomson has previously held the position of vice-president for advertising and communications with the Canadian Tourism Commission.

Cowan also announced Doug Enns, who recently completed an analysis of the resort's financial and operational systems, will come on board as senior financial officer to develop strategic financial and systems organizational plans.

"I think [new faces] will give us a refreshed look at the future," Cowen said. "It's been a difficult time for the whole resort through the court process and restructuring and I'm hoping new leadership will be able to change the focus and look at the opportunities we've got with a great resort and great asset."

Cowan, who has been on the job at Bear Mountain after the court approved his appointment in July, said the first two months have been about getting the lay of the land and now it's time to move forward.

"It's a tremendous asset ... there was a tremendous vision here and a lot of things were done very well and obviously some weren't, but there's a really solid resort base to build on," he said.

Cowan took over a number of the duties and responsibilities of chief restructuring officer Robert Holmes who had been overseeing Companies' Creditors Arrangement Act proceedings at Bear Mountain.

Cowan was the choice of HSBC Bank Canada — Bear Mountain's largest creditor — which is owed more than $250 million.

Bear Mountain was in default on some of its loans and owed secured creditors in excess of $300 million when CEO Len Barrie was removed from his position and the development was placed under creditor protection March 25.

At the time, HSBC claimed Bear Mountain had been defaulting on payments since 2008 and the bank no longer had confidence in the partnership.

After taking stock of the company and working with HSBC and the court-appointed monitor, PricewaterhouseCoopers, Holmes made an application in May to assign the companies that make up the Bear Mountain development into bankruptcy.

The B.C. Supreme Court gave Holmes the green light to place the companies into bankruptcy with a view to getting some return for the development's unsecured creditors.

And while there have been staff cuts and reduced spending across all operations, the development continues to operate with funding from HSBC.

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Labels on treats, packaged foods misleading, new tests discover

Postmedia News

OTTAWA — Six out of 10 candies, baked goods and breads at the grocery store overstated things such as "sugar free," "low in fat" or "100 per cent whole wheat" to convince shoppers to indulge in a treat or pay a premium, newly released government inspection test results show.

The Canadian Food Inspection Agency tested 252 candy items such as chocolate bars, soft candies and fruit snacks for the accuracy of their composition claims, and found 159 confectionary products failed to live up to their billing.

The record for breads and baked goods such as cookies and muffins, claiming to be low in fat or to contain certain grains, wasn't much better, with 122 out of 208 — or 59 per cent — not living up to their claims.

Of 161 snack foods pitched as low in sodium or other composition claims, 49 per cent, or 79 items, violated the rules. These products included items such as potato chips, nuts and mixed snacks.

In addition to negative claims pertaining to the absence or non-addition of a substance, other examples of composition claims include "100 per cent pure" or words such as "genuine," "true" or "real."

According to minutes concerning CFIA's Fair Labelling Practices Program, released to Postmedia News under access to information laws, these product categories were targeted between 2006 and 2010 because inspectors suspected compliance problems.

CFIA did not release any brand details, but says it works with companies to educate them about the rules and bring them into compliance. The agency also has the authority to issue warning letters, remove products from stores or prosecute.

Consumer advocate Bill Jeffery, of the Ottawa-based Centre for Science in the Public Interest, called the test results "remarkable," saying Canadians "depend on nutritional labelling to choose healthier products."

The good news for calorie-counters is the test results show that it's not uncommon for confectionary and baked goods to overstate the net quantity, meaning the grams on the label are higher than what is in the package. The products included pre-packaged products and items packaged at the grocery store.

More than one in five candy products tested for net quantity — 20 out of 94 — overstated the amount in the packaging, meaning the grams on the label were higher than what was in the package.

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Vehicle not exactly as shown. MSRP of a 2011 BMW 323i Luxury Edition with automatic transmission is $39,250. Total list price of a 2011 BMW 323i Luxury Edition with automatic transmission is $41,400.26, which includes MSRP ($39,250), freight & PDI ($1,995), A/C tax ($100), PPSA registration fee ($39.26), and tire levy ($16). Lease rates are those offered by BMW Financial Services Canada only on approved credit (OAC). † Savings calculated on MSRP of Luxury Edition package options. *Lease rate of 2.9% available for 48 months. At 2.9% with a 48 month lease and a $7,300 down payment (OAC), each monthly payment is $358. Freight & PDI ($1,995) are included in the down payment. Total obligation is $24,517. The residual value of the vehicle at end of term is $18,055. HST and license fee are additional and due upon lease signing. Retailers are free to set individual prices and charge administration fees, which may change the APR or the price of the vehicle. Annual kilometres limited to 20,000: $0.15 per excess kilometre. Excess wear-and-tear charges may apply. ††Certain conditions apply on 4 year / 80,000 km no-charge scheduled maintenance; see Retailer for details. Offer expires September 30, 2010. Delivery must be taken by September 30, 2010. Offer requires Retailer participation. Offer is subject to availability and may be cancelled or changed without notice. Certain conditions apply. See Victoria BMW for full details. ©2010 BMW Canada Inc. "BMW", the BMW logo, BMW model designations and all other BMW related marks, images and symbols are the exclusive properties and/or trademarks of BMW AG, used under license. DL #24228