

NO: R040

COUNCIL DATE: March 11, 2024

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **March 6, 2024**

FROM: **General Manager, Engineering**

FILE: **5523-001/11**

SUBJECT: **Award of Contract No. 5523-001-11
District Energy Distribution Piping Expansion**

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract No. 5523-001-11 to Rissling Services Ltd. in the amount of \$5,390,408.10 (including GST) for District Energy Distribution Piping System Expansion;
2. Set the expenditure authorization limit for Contract No. 5523-001-11 at \$5,930,000.00 (including GST and contingencies); and
3. Authorize the General Manager, Engineering to execute Contract No. 5523-001-11.

INTENT

The intent of this report is to seek Council's approval to award a contract for the District Energy Distribution Piping System Expansion.

DISCUSSION

Scope of Work

The construction package related to this contract consists of the installation of approximately 1,000 metres of District Energy insulated steel pipe, service connections, leak detection system, and communication conduit to support future development and potential connections to the City's District Energy System. The work will be located at the locations listed in the following table, and are also illustrated on the map attached to this report as Appendix "I":

Map Reference Number	Project #	Project Description	Location
1	E-19336	District Energy System Extension	Old Yale Road: 133 Street to Lot 13387
2	E-18137	District Energy System Extension	Whalley Boulevard: 104A Avenue to 107A Avenue
3	E-19304	District Energy System Extension	134A Street: 94A Avenue to 95 Avenue; 95 Avenue: 134A Street to 135 Street; 94A Avenue: 134A Street to 135 Street

The Contract permits construction from 7:00 a.m. to 10:00 p.m., Monday through Friday, in compliance with the *Surrey Noise Control Bylaw, 1982, No. 7044*. The contract includes short duration road closures to facilitate construction.

Invitation to Tender Results

An Invitation to Tender followed the City’s Purchasing Bylaw and was publicly posted on the BC Bid and City of Surrey websites. Tenders for the subject contract were opened on March 1, 2024 with the following results:

<i>Contractor</i>	<i>Tendered Amount with GST</i>	<i>Corrected Amount</i>
1. Rissling Services Ltd.	\$5,390,408.10	No Change
2. Robert B. Somerville Co. Limited	\$6,237,851.03	\$6,237,840.28
3. Complete Utility Contractors Ltd.	\$6,406,324.05	No Change
4. Clearway Construction Inc.	\$6,583,953.60	No Change

The Engineer’s (Kerr Wood Leidal Associates) pre-tender estimate was \$7.2 million, including GST.

Evaluation

The submissions were reviewed for accuracy and completeness. There was one arithmetic error that had no bearing on the outcome of the tender process. All submissions included the required 10% bid bond and were signed on the Tender Form.

The low bidder, Rissling Services Ltd., has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond, and agreed to complete the work within 150 working days, as stipulated in the contract. Rissling Services Ltd.’s past performance on similar work has been satisfactory. They have no outstanding legal claims against the City. It is recommended that Rissling Services Ltd. be awarded Contract No. 5523-001-11.

Project Schedule

The contract work is expected to start in April 2024, and be completed by December 2024.

FUNDING

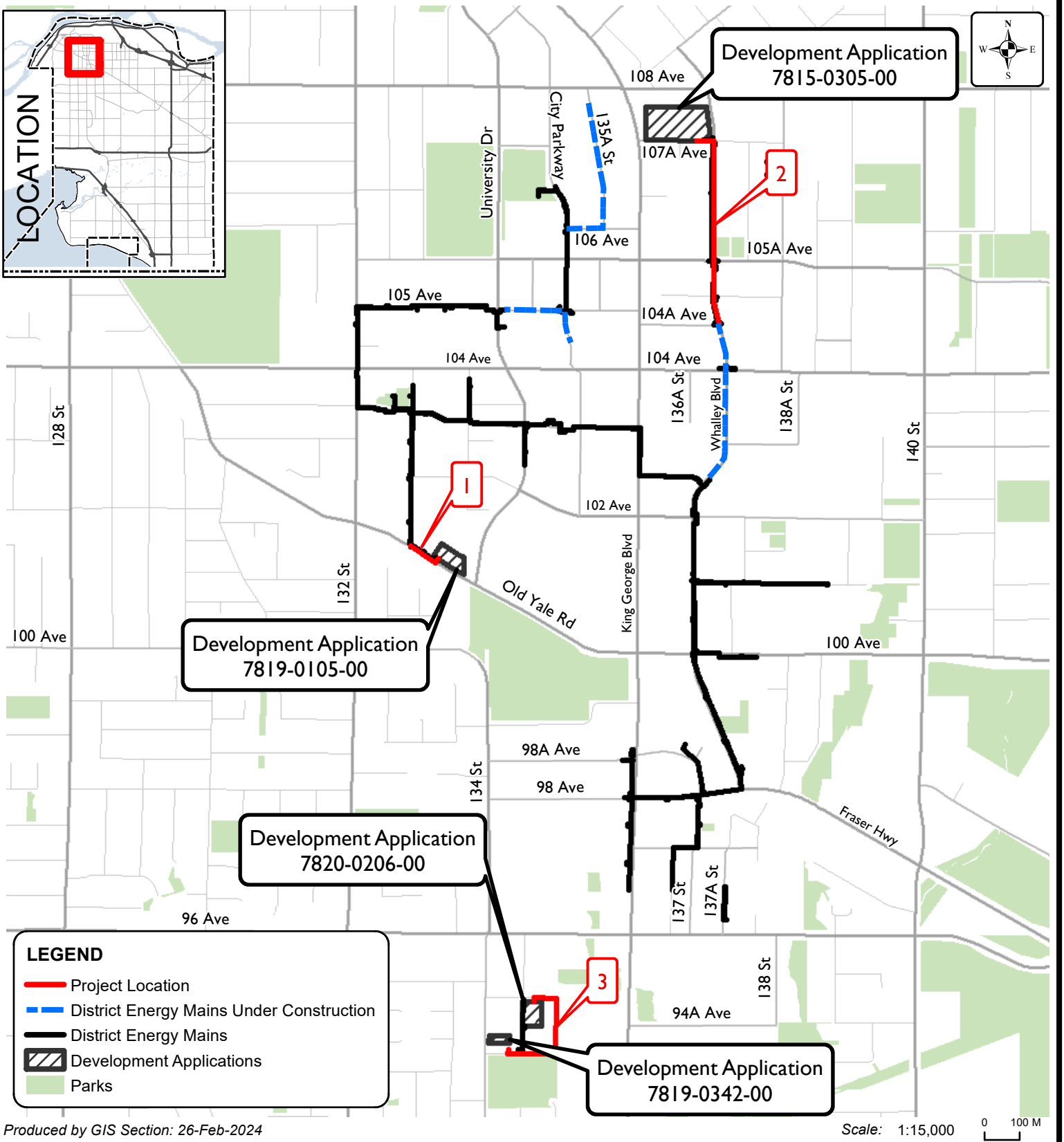
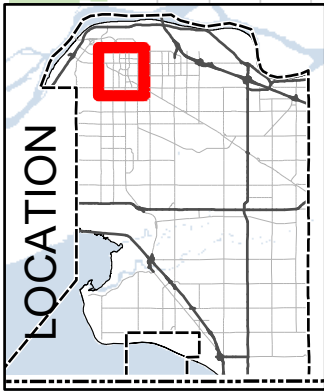
Funding for this contract is available in the approved 2024 Utility Budget.

Scott Neuman, P.Eng.
General Manager, Engineering

VJ/bn/cc

Appendix "I" – Map of Locations – Contract No. 5523-001-11

[https://surreybc.sharepoint.com/sites/eng_administration/gm_administration/corporate_reports/2024/mar_11/award_of_contract_5523-001-11_de_piping_expansion/award_of_contract_5523-001-11_district_energy_distribution_piping_expansion_\(03062024\)_final.docx](https://surreybc.sharepoint.com/sites/eng_administration/gm_administration/corporate_reports/2024/mar_11/award_of_contract_5523-001-11_de_piping_expansion/award_of_contract_5523-001-11_district_energy_distribution_piping_expansion_(03062024)_final.docx)



Produced by GIS Section: 26-Feb-2024

Scale: 1:15,000 0 100 M



Contract No. 5523-001-11
District Energy
Distribution Piping Expansion

ENGINEERING DEPARTMENT

The data provided is compiled from various sources and IS NOT warranted as to its accuracy or sufficiency by the City of Surrey.
 This information is provided for information and convenience purposes only.
 Lot sizes, Legal descriptions and encumbrances must be confirmed at the Land Title Office.