

NO: R080

COUNCIL DATE: June 5, 2023

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**REGULAR COUNCIL**

TO: **Mayor & Council**

DATE: **May 31, 2023**

FROM: **General Manager, Engineering**

FILE: **5523-003**

SUBJECT: **Award of Contract No. 1220-040-2023-014  
West Village Energy Centre – Gas-Fired Hot Water Boilers**

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**RECOMMENDATIONS**

The Engineering Department recommends that Council:

1. Award Contract No. 1220-040-2023-014 to Le Groupe Simoneau Inc in the amount of \$3,178,028.00 (including applicable taxes), for supply and delivery of two new boilers;
2. Set the expenditure authorization limit for Contract No. 1220-040-2023-0014 at \$3,178,028.00 (including applicable taxes); and
3. Authorize the General Manager, Engineering to execute Contract No. 1220-040-2023-014.

**INTENT**

The intent of this report is to seek Council's approval to award a contract for the supply and commissioning of two new boilers for West Village Energy Centre ("WVEC").

**DISCUSSION**

**Scope of Work**

The work related to this contract includes the supply and commissioning of two gas-fired hot water boilers to be installed at WVEC at 13231 Central Avenue, as illustrated on the map attached to this report as Appendix "I".

Due to construction of new high-density buildings in City Centre, the demand for heating capacity has increased significantly, which has prompted the need to upgrade the boiler capacity at WVEC. The new 15 MW capacity boilers will replace two existing 5 MW boilers and will work in parallel with the remaining 5 MW boiler. The replaced boilers will be redeployed in a future energy center to support future growth in City Centre.

## Quotation Results

Quotations for the subject contract were opened on April 19<sup>th</sup>, 2023, with the following results:

<i>Contractor</i>	<i>Base Amount (including taxes)</i>	<i>Ultra Low NOx Pricing (including taxes)</i>	<i>Total Price (including taxes)</i>
1. Le Groupe Simoneau.	\$2,435,608.00	\$742,420.00	\$3,178,028.00
2. Johnson Barrow BC	\$2,899,680.00	Not submitted	N/A
3. All-Pro Services	\$3,338,405.32	\$605,391.36	\$3,943,796.68

The Engineer's (FVB) pre-quotation estimate was \$2,600,000 (including applicable taxes) for the base boiler requirement, which did not include the optional cost for Ultra Low NOx burners.

## Evaluation

The quotations were reviewed for accuracy and completeness.

It is recommended that Le Groupe Simoneau Inc be awarded Contract No. 1220-040-2023-014, with the expenditure authority to be based on award of the Ultra Low NOx burners, as staff anticipate Metro Vancouver is anticipated to make changes in air quality regulations that require this technology before the new boilers are operational in 2024.

## Project Schedule

The supply of the boilers is expected 50 weeks after award of contract. The installation is expected to be completed by September 2024.

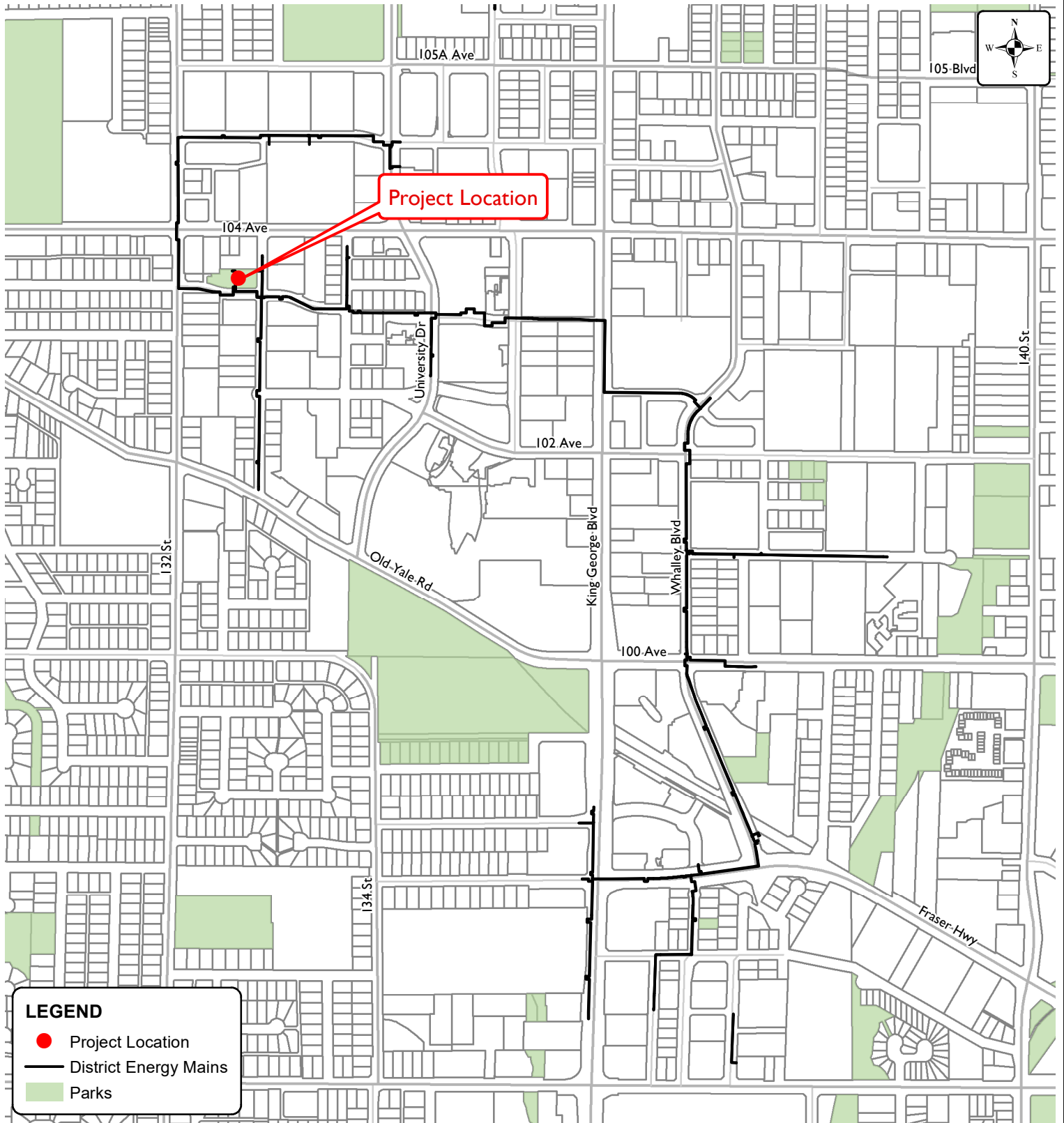
## FUNDING

Funding for this Contract is available in the approved 2023 District Energy Budget.

Scott Neuman, P.Eng.  
General Manager, Engineering

/DM/bn

Appendix "I" – Map of Locations – Contract No. 1220-040-2023-007



**LEGEND**

- Project Location
- District Energy Mains
- Parks

Produced by GIS Section: 25-Apr-2023

Scale: 1:10,000 0 100 M



**Contract No. 5523-003**  
**Contractor Services West Village**  
**Energy Centre – Hot Water Boilers**

**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.