

NO: R035

COUNCIL DATE: March 12, 2018

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **March 8, 2018**
 FROM: **General Manager, Engineering** FILE: **1718-003/11**
 SUBJECT: **Award of Contract No. 1718-003-11**
2018 Collector Package #2

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract No. 1718-003-11 to B&B Contracting (2012) Ltd. in the amount of \$5,626,600.00, (including GST), for the 2018 Collector Package #2;
2. Set the expenditure authorization limit for Contract No. 1718-003-11 at \$6,189,000.00, (including GST and contingency); and
3. Authorize the General Manager, Engineering to execute Contract No. 1718-003-11.

SCOPE OF WORK

The construction package related to this Contract consists of similar road widening, sidewalk and traffic calming projects at the locations listed in the following table, which are also illustrated on the attached map to this report as Appendix "I".

Map Reference Number	Project #	Project Description	Location
1	R-15865	Road and Sidewalk	164 Street: 84 Avenue to 88 Avenue
2	R-15876	Road and Pathway	Barnston Drive: 170A Street to 172 Street
3	R-14101	Road and Sidewalk	20 Avenue: 134 Street to 140 Street
4	R-16725	Traffic Signal Rebuild	20 Avenue at 140 Street

The Contract work is expected to start on April 09, 2018 and be completed by August 22, 2018.

TENDER RESULTS

Tenders for the subject Contract were opened on February 22, 2018 with the following results:

<i>Contractor</i>	<i>Tendered Amount with GST</i>	<i>Corrected Amount</i>
1. B&B Contracting (2012) Ltd.	\$5,626,600.00	No Change
2. Lafarge Canada Inc.	\$6,088,652.85	No Change

The Engineer's (Web Engineering Ltd.) pre-tender estimate was \$4,600,000.00 (including GST).

EVALUATION

The City's consultant reviewed the tender submissions for accuracy and completeness. No errors were found. All submissions included the required 10% bid bond, were signed on the Tender Form, and were initialed on the Summary Sheet of the Schedule of Quantities and Prices.

The bids received on this Contract are significantly higher than the Engineer's pre-tender estimate, which was based on 2017 tender prices received. It appears that following the recent consolidation of some contractors and aggregate (i.e., sand and gravel) suppliers, prices for some forms of construction materials, such as concrete and asphalt, have increased. Web Engineering Ltd. has compared the prices tendered in this Contract to those received by other municipalities in the region and found that the tendered amounts for this project, although higher than their estimate, are lower than those received by other municipalities.

The low bidder, B&B Contracting (2012) Ltd., has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond, and agreed to complete the work within 100 working days, as stipulated in the Contract. B&B Contracting (2012) Ltd.'s past performance on similar work has been satisfactory. They have no outstanding legal claims against the City. It is recommended that B&B Contracting (2012) Ltd. be awarded Contract No. 1718-003-11.

Staff will continue to monitor prices tendered throughout the region to better understand the developing trend.

SUSTAINABILITY CONSIDERATIONS

This project supports the objectives of the City's Sustainability Charter. In particular, this project relates to the Sustainability Charter theme of Infrastructure. Specifically, this Contract supports the following Strategic Directions and Desired Outcomes:

- All Infrastructure DO1: City facilities and infrastructure systems are well managed, adaptable and long lasting, and are effectively integrated into regional systems; and
- All Infrastructure SD1: Proactively manage community assets to maintain them over the long-term in a state of good repair.

FUNDING

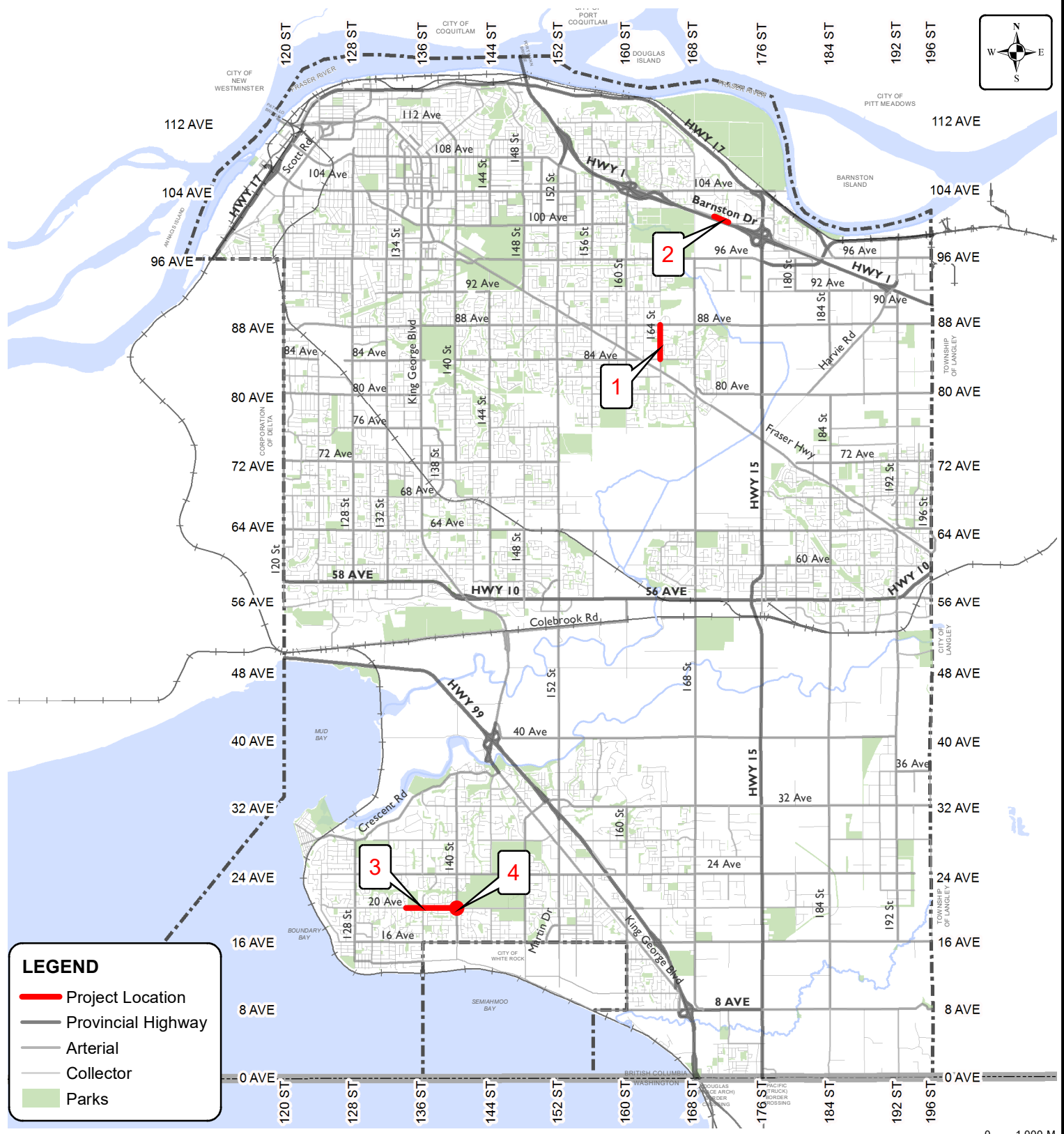
Funding for this Contract is available in the approved 2018 Transportation Budget.

Fraser Smith, P.Eng., MBA
General Manager, Engineering

JA/RB/jma/ggg

Appendix "I" – Map of Locations – Contract No. 1718-003-11

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LEGEND

- Project Location
- Provincial Highway
- Arterial
- Collector
- Parks

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CONTRACT No. 1718-003-11 2018 Collector Road Package #2

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.