

CORPORATE REPORT

		NO: R074	COUNCIL	DATE: A	April 15, 2019	
REGULAR COUNCIL						
TO:	Mayor & Council			DATE:	April 11, 2019	
FROM:	General Manager	r, Planning & Developme r, Finance r, Corporate Services	nt	FILE:	0710-20 (City Hall)	
SUBJECT:		t No. 1220-040-2018-107 ir and Refinishing				

RECOMMENDATION

The Planning & Development Department, Finance Department and Corporate Services Department recommend that Council:

- 1. Award Contract No. 1220-040-2018-107 to Wood Projects Ltd. in the amount of \$1,037,400.00 (including GST) for the repairs and refinishing of wood soffits at City Hall;
- 2. Set the expenditure authorization limit for Contract No. 1220-040-2018-107 at \$1,150,000.00, including GST and contingency; and
- 3. Authorize the General Manager, Planning & Development, or his designate, to execute Contract No. 1220-040-2018-107 and related change orders.

INTENT

The purpose of this report is to obtain Council's approval to award a contract related to the repairs and refinishing of wood soffits at City Hall to Wood Projects Ltd.

BACKGROUND

In February 2018, it was discovered that the wood soffits at City Hall were failing due to design and installation errors that originated from the contractor who installed the soffit during the construction of City Hall. Subsequent to an inspection of the soffits, netting was placed in certain areas around the perimeter of the building to ensure safety of the public while investigations and design solutions were developed through the engagement of a qualified third party.

DISCUSSION

Quotation Results

A Request for Quotations (RFQ 1220-040-2018-107) (the "RFQ") was issued as a publicly advertised process on the City of Surrey website and BC Bid website to solicit quotations. The RFQ closed on January 22, 2019. Three proposals were received as follows:

Contractor	Proposed Price, including GST
BD Construction Ltd.	\$1,023,750.00
Wood Projects Ltd.	\$1,037,400.00
Index Construction BC Inc.	\$1,282,470.00

Evaluation

Following the closing of the RFQ, a review process followed, which included interviews with the two proponents providing the lowest price quotations, which were within one percent of each other.

Based on the evaluation team's review, it is recommended that the project be awarded to Wood Projects Ltd. The selected proponent's proposal, work plan understanding, and experience were evaluated as superior to that of the low bidder.

Legal Services Review

Risk Management and Legal Services immediately undertook the necessary steps to identify and notify potentially liable parties of the City's intention to seek recovery for the costs of remediation in relation to defects in design and/or construction of the soffits, and will pursue litigation if necessary. This is potentially a lengthy process that could take several years to resolve. Staff will provide periodic updates on the status of such recovery efforts. In the interim, the soffits require remediation, which includes engaging a qualified contractor to complete the work generally described below:

- Repair of the wood soffit in accordance with the contract drawings, including:
 - Removal as necessary of existing tongue and groove boards;
 - Cutting of wood soffit slats as required to make expansion joints;
 - Reinstallation of slats;
 - Installation of all fasteners as per Contract Drawings;
 - o Installation of stainless steel expansion channels; and
- Refinishing of wood soffit.

Project Schedule

The soffit repairs will commence in May 2019, and completion is expected in late summer or early fall 2019. The proponent's proposed scaffolding and staging has been designed to ensure the most efficiency and shortest duration, however, as not all of the soffits in need of repair can be easily accessed for inspection, it is hard to define an exact timeline in advance.

Funding

Funding for this Project is available within the 2019 Capital contingency budget, which is utilized for unforeseen capital expenditures.

SUSTAINABILITY CONSIDERATIONS

The work of this Contract supports the objectives of the City's Sustainability Charter 2.0. In particular, this project relates to Sustainability Charter 2.0 theme of Infrastructure. Specifically, this project supports the following Desired Outcome ("DO") and Strategic Direction "SD"):

- 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.

CONCLUSION

Based on the above discussion, it is recommended that Council award Contract No. 1220-040-2018-107 to Wood Projects Ltd. in the amount of \$1,037,400.00 including GST for the repairs and refinishing of wood soffits at City Hall.

Original signed by Jean Lamontagne General Manager, Planning & Development Original signed by Kam Grewal General Manager, Finance

Original signed by Rob Costanzo General Manager, Corporate Services

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