

NO: R096

COUNCIL DATE: May 27, 2019

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**REGULAR COUNCIL**

**TO: Mayor & Council**

**DATE: May 23, 2019**

**FROM: Acting General Manager, Engineering**

**FILE: 4818-032/11**

**SUBJECT: Award of Contract No. 4818-032-11  
North Surrey Utility Improvements - Phase 3**

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**RECOMMENDATION**

The Engineering Department recommends that Council:

1. Award Contract No. 4818-032-11 to Neil Smith Construction Ltd. in the amount of \$3,668,014.37 (including GST) for storm, sanitary, and water upgrades in the North Surrey area;
2. Set the expenditure authorization limit for Contract No. 4818-032-11 at \$4,034,815.81 (including GST and contingency); and
3. Authorize the Acting General Manager, Engineering to execute Contract No. 4818-032-11.

**SCOPE OF WORK**

The City developed a stormwater management strategy for the East Bon Accord Creek watershed to address the long-term drainage needs for the community, as well as erosion concerns in East Bon Accord Creek. The strategy is being implemented in a multi-phased program. Phase 1 and 2 works were completed in 2017 and 2018, and Phase 4 is scheduled to start construction under a separate contract this summer.

Phase 3 and Phase 4 are being delivered under two separate contracts this summer, based on input from contractors who typically bid on this type of work that indicated that they would be more interested in bidding if Phase 3 and Phase 4 were to be delivered under separate contracts. In addition to each separate contract attracting more bidders, having Phase 3 and Phase 4 completed under separate contracts will allow the work to occur concurrently, and therefore the work will be completed in approximately half of the time as compared to all of the work being completed under one contract.

The Phase 3 works include the installation of a large diameter storm sewer along Oriole Drive from Canary Drive to Blackbird Crescent to divert peak stormwater flows away from Bon Accord Creek to mitigate erosion. During this phase, the City will also be replacing aging asbestos cement water mains and undersized sanitary sewers in the same sections. The locations of this work are 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	W-13896	390m of 200mm diameter water main	Oriole Drive: Canary Drive to Blackbird Crescent
2	D-16665	145m of 300-900 diameter, 225m of 1,200mm diameter, and 150m of 1,350mm diameter sanitary sewer mains	Oriole Drive: Canary Drive to Blackbird Crescent
3	S-16697	655m of 675mm diameter sanitary sewer main	Oriole Drive: Lot 10920 to Blackbird Crescent; and Blackbird Crescent to Ellendale Drive
4	R-17444	Sidewalk and street lighting	Oriole Drive: Canary Drive to Blackbird Crescent

The Contract permits construction between 7:00 a.m. and 10:00 p.m. The Contract does not include an option for contractors to work 24-hours a day, 7-days a week, as there were no financial savings or time savings expected and that the work is located in a residential area.

The Contract work is expected to start in June 2019 and be completed by March 2020. There are no prolonged impacts to any residences resulting from the Contract work; however, the Contract permits construction between 7:00 a.m. and 10:00 p.m. and allows for a temporary road closure of Oriole Drive to accommodate the construction of the work. Residents will be advised in advance of the temporary road closure.

## TENDER RESULTS

Tenders for the subject contract were opened on April 26, 2019 with the following results:

<i>Contractor</i>	<i>Tendered Amount with GST</i>	<i>Corrected Amount</i>
1. Neil Smith Construction Ltd.	\$3,665,990.18	\$3,668,014.37
2. Pedre Contractors Ltd. ("Pedre")	\$4,620,000.00	\$4,621,732.50
3. J. Cote & Son Excavating Ltd.	\$4,893,000.00	No Change
4. Richco Contracting Ltd.	\$5,128,452.50	\$5,130,605.03

The Engineer's (ISL Engineering) pre-tender estimate was \$4,788,740.25, including GST.

## EVALUATION

The City's consultant reviewed the tender submissions for accuracy and completeness. Three minor arithmetic errors were found that had no bearing on the outcome of the tender process. 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 lowest bidder, Neil Smith Construction Ltd., has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond and has agreed to complete the work within 180 working days, as stipulated in the Contract. Neil Smith Construction Ltd. have limited experience installing municipal utilities; however, their past performance on similar work has been satisfactory as confirmed by reference checks. They have no outstanding legal claims against the City. It is recommended that Neil Smith Construction Ltd. be awarded Contract No. 4818-032-11.

## **SUSTAINABILITY CONSIDERATIONS**

The work of this contract supports the objectives of the City's Sustainability Charter 2.0. In particular, this work relates to Sustainability Charter 2.0 theme of Infrastructure. Specifically, this project supports the following Desired Outcomes ("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;
- All Infrastructure DO3: Infrastructure systems are designed to protect human health, preserve environmental integrity, and be adaptable to climate change impacts; 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 2019 Utilities Budget.

Jaime Boan, P.Eng.  
Acting General Manager, Engineering

JA/VJ/RI/cc

Appendix "1" – Map of Locations – Contract No. 4818-032-11



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Scale: 1:6,643 0 60 M



## CONTRACT No. 4818-032-11 North Surrey Utility Improvements Phase 3

ENGINEERING  
DEPARTMENT