

NO: **R074** COUNCIL DATE: **May 4, 2020**

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **April 27, 2020**
 FROM: **General Manager, Engineering** FILE: **5519-002/11**
 SUBJECT: **Award of Contract No. 1220-020-2020-002**
District Energy - Energy Transfer Stations Construction at Various Locations

RECOMMENDATIONS

The Engineering Department recommends that Council:

1. Award Contract No. 1220-020-2020-002 to Modern Niagara Vancouver Inc. in the amount of \$616,255.50 (including GST) for construction of District Energy Energy Transfer Stations at various locations;
2. Set the expenditure authorization limit for Contract No. 1220-020-2020-002 at \$678,000.00 (including GST and contingency); and
3. Authorize the General Manager, Engineering to execute Contract No. 1220-020-2020-002.

SCOPE OF WORK

The construction package related to this Contract consists of the supply, installation, and commissioning of mechanical and electrical equipment for three Energy Transfer Stations (“ETS”) which are located in customer buildings and transfer thermal energy from the Distribution Piping System to the customer buildings. The work will be performed at the locations listed in the following table, which are also illustrated on the map attached to this report as Appendix “I”:

Map Reference Number	Project No.	Project Description	Location	Development Application No.
1	E-17573	District Energy ETS - Concord	9887 Whalley Boulevard	7816-0360-00
2	E-17571	District Energy ETS - Rize	10388 - 133 Street	7811-0075-00
3	E-17567	District Energy ETS - Lark	13761 - 96 Avenue	7814-0319-00

The Contract work is expected to start in May 2020 and be completed by January 2021.

TENDER RESULTS

Tenders for the subject Contract were opened on April 2, 2020 with the following results:

<i>Contractor</i>	<i>Tendered Amount with GST</i>	<i>Corrected Amount</i>
1. Modern Niagara Vancouver Inc.	\$616,255.50	No Change
2. All-Pro Services Ltd.	\$621,417.00	\$621,417.30
3. Division 15 Mechanical Ltd.	\$702,240.00	No Change

The Engineer's (Kerr Wood Leidal Ltd.) pre-tender estimate was \$645,760.00, including GST.

EVALUATION

The City's consultant reviewed the tender submissions 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.

The low bidder, Modern Niagara Vancouver Inc., has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond, and agreed to complete the work by January 2021, as stipulated in the Contract. Modern Niagara Vancouver Inc.'s past performance on similar work has been satisfactory. They have no outstanding legal claims against the City. It is recommended that Modern Niagara Vancouver Inc. be awarded Contract No. 1220-020-2020-002.

SUSTAINABILITY CONSIDERATIONS

The work of this contract supports the objectives of the City's Sustainability Charter 2.0. In particular, the project supports the Sustainability Charter 2.0 themes of Built Environment and Neighbourhoods, and Infrastructure. Specifically, this project supports the following Desired Outcome ("DO") and Strategic Directions ("SD"):

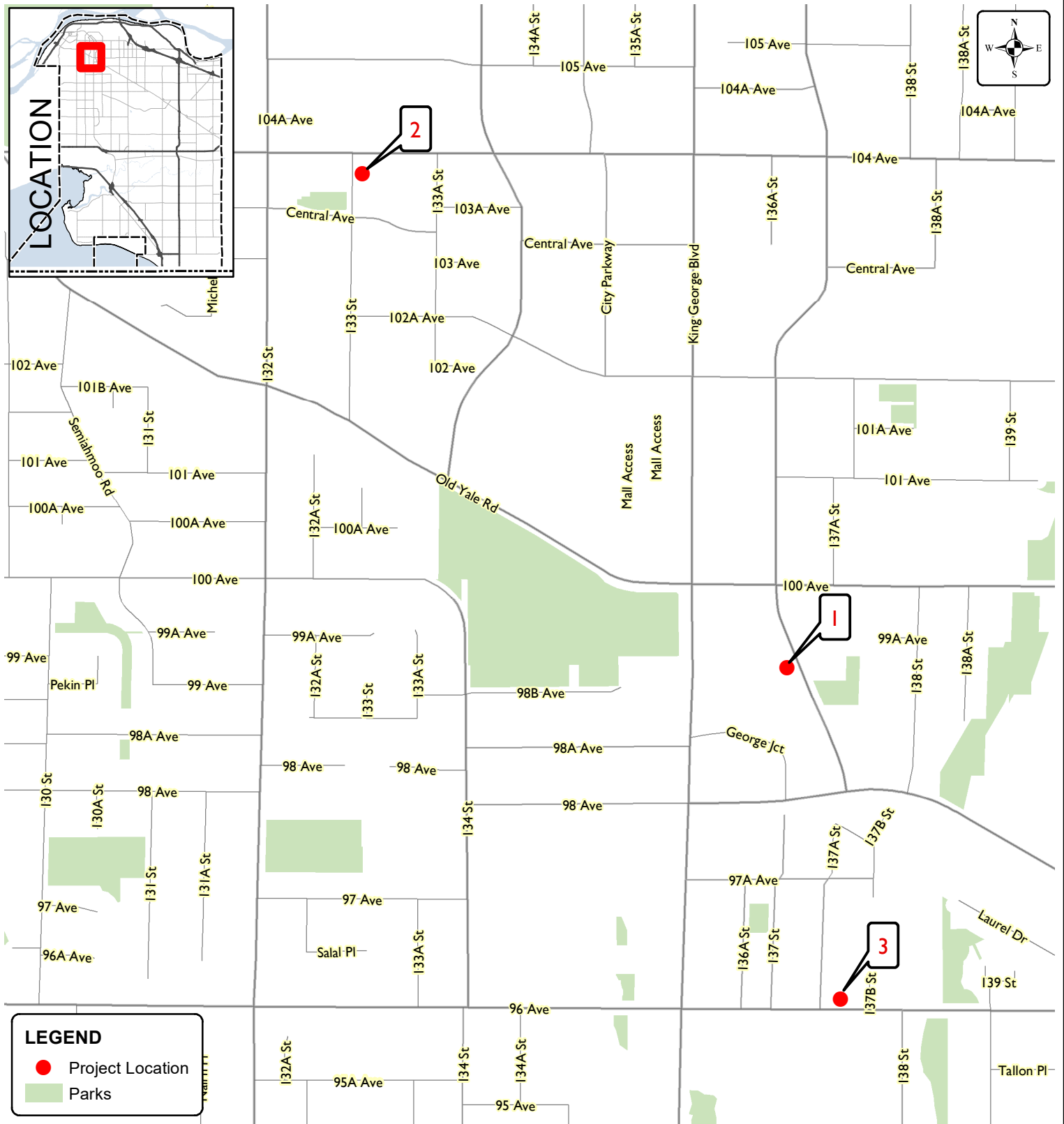
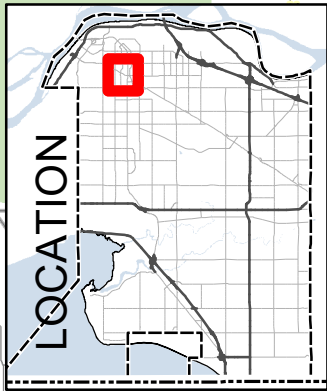
- Building and Sites SD13: Continue to support low-carbon district energy networks;
- Energy and Climate Do8: Neighbourhood-scale district energy systems provide low-carbon energy in dense urban neighbourhoods ; and
- Energy and Climate SD8: Identify areas (residential, commercial, and Industrial) where low-carbon district energy is viable and support development of new systems.

FUNDING

Funding for this Contract is available in the approved 2020 District Energy Budget.

Scott Neuman, P.Eng.
General Manager, Engineering

Appendix "I" – Map of Locations – Contract No. 1220-020-2020-002



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Scale: 1:10,000 0 100 M



CONTRACT No. 1220-020-2020-002 District Energy System Transfer Stations (ETS) Construction

ENGINEERING DEPARTMENT