

NO: R103

COUNCIL DATE: June 29, 2020

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **June 25, 2020**

FROM: **General Manager, Planning & Development**

FILE: **7010-10**
(Strawberry Hill Hall)

SUBJECT: **Award of Contract for Strawberry Hill Hall Rehabilitation Project**

RECOMMENDATION

The Planning & Development Department recommends that Council:

1. Award Contract No. 1220-020-2020-001 to Proactive Construction Ltd. in the amount of \$1,207,168.57 (including GST) for the Strawberry Hill Hall rehabilitation project;
2. Set the expenditure authorization limit for Contract No. 1220-020-2020-001 at \$1,450,000.00 (including GST and contingency); and
3. Authorize the General Manager, Planning & Development, or his delegate, to execute Contract No. 1220-020-2020-001.

INTENT

The intent of this report is to obtain Council approval to award a contract related to the construction works of Strawberry Hill Hall (“the Project”) to Proactive Construction Ltd.

BACKGROUND

Strawberry Hill Hall (“the Hall”) was built circa 1909 by the Strawberry Hill Farmers’ Institute. The Hall was an important amenity in a growing community and was used to support various community uses over the years. In 2016, the City acquired the Hall with the intent to renovate the heritage building to provide a range of services at the neighbourhood level in Strawberry Hill. The property is now part of R.A. Nicholson Park. A structural assessment and conservation plan were completed, which enabled the City to prioritize renovation plans, as well as conserve the heritage elements of the Hall.

The Parks, Recreation & Culture Department will operate the facility, providing licensed preschool, before and after school care, and cultural programming on evenings and weekends, while also making the facility available for approved community uses through rentals. An open house was held on June 20, 2019, with overwhelming community support for the proposed renovation and related programming. Numerous community members noted that the Hall will be a much-needed community amenity.

SCOPE OF WORK

Following hazardous material remediation and selective demolition of the existing rear storage shed, existing stairs/landings/ramps, and connected services, the historic meeting Hall will be slightly moved on-site and securely shored up. New reinforced concrete foundations will be excavated and constructed for the Hall and a new rear storage shed added, as well as ramps and stairs. New washrooms will be constructed, including a universal toilet room and a universal washroom with four individual toilet rooms. The existing kitchen will be fully rehabilitated with new millwork. The exterior rehabilitation will include new cedar shingle cladding and roof surface, and four new twin wood double hung windows. New service systems will include all new plumbing, ventilation, and a new gas furnace connecting to existing ducting, along with all new electrical systems and lighting fixtures. The existing parking lot will be expanded and improved with islands, boulder retaining walls on the east and south edges, landscape, and lighting.

The Contract permits construction from 7:00 a.m. to 10:00 p.m., Monday through Friday, in compliance with the *Surrey Noise Control By-law, 1982, No. 7044*. The Contract does not include an option for contractors to work 24 hours a day, seven days a week as for this specific Contract the work is located within a residential area.

The Contract work is expected to start in early or mid July 2020 (subject to Building Permit issuance) and be substantially complete in January 2021.

INVITATION TO TENDER RESULTS

On March 11, 2020, the Invitation to Tender (“ITT”) Number 1220-020-2020-001 was issued for the Project. The ITT was advertised on both the City’s and BC Bid’s websites. A total of 13 bids were received:

	<i>Contractor</i>	<i>Tendered Amount with GST</i>
1.	Proactive Construction Ltd	\$1,207,168.57
2.	Index Construction (BC) Inc.	\$1,285,990.18
3.	Boston Construction Corp.	\$1,290,852.11
4.	Wallace and Company Ltd.	\$1,391,292.00
5.	Novacom Building Partners	\$1,402,937.14
6.	Tybo Constructors Ltd.	\$1,404,768.75
7.	Ram Construction Inc.	\$1,417,500.00
8.	RJS Construction Ltd.	\$1,654,827.46
9.	Gibraltar Holdings Ltd.	\$1,686,596.76
10.	Jacob Bros. Construction Inc.	\$1,757,700.00
11.	Traugott Building Contractors Inc.	\$1,803,565.05
12.	Wood Projects Ltd.	\$1,827,682.02
13.	Edifice Construction Inc.	\$1,849,575.00

McGinn Engineering & Preservation Ltd.’s pre-tender estimate was \$1 million (including GST). Civic Facilities staff, having completed heritage building rehabilitation at the Surrey Museum, reviewed the pre-tender estimate and revised the projected costs at \$1.2 million for the project in order to reflect the risk associated with this type of building renovation and adaptive re-use. With 13 bids received, staff are confident the pre-tender prices reflect the market conditions.

The difference can also be associated to the COVID-19 pandemic, which added some costs from the construction process in order to meet WorkSafeBC standards of social distancing on the worksite.

EVALUATION

The ITT closed on May 5, 2020. City staff and consultants reviewed the tender submissions for accuracy and completeness. No errors were found. The lowest bidder, Proactive Construction Ltd., has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond, and has agreed to substantially complete the work on or before January 2021. Proactive Construction Ltd.'s past performance appears satisfactory and represents the best value to the City. They have no outstanding legal claims against the City. It is therefore recommended that Proactive Construction Ltd. be awarded Contract No. 1220-020-2020-001.

FUNDING

Funding for this contract is available within the approved 2020 Building Capital budget.

Additional funding to support this Project has been secured through the Ministry of Children and Family Development's New Spaces Fund Application. This grant, totalling \$425,172.00 will be used to support 18 child-aged before and after school care spaces, as well as 18 spaces for children aged three to kindergarten. These funds are dedicated to purchasing program equipment and supplies, providing project staffing costs during the renovation, and for the addition of an outdoor nature-themed playground in the adjacent R.A. Nicholson Park. While the City is currently being mindful of spending due to projected COVID-19 budgetary shortfalls, the Project needs to move ahead at this time in order to receive the grant funding.

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 themes of Built Environment and Neighbourhoods, Education and Culture, and Infrastructure. Specifically, this contract supports the following Desired Outcomes ("DO") and Strategic Directions ("SD"):

- Buildings and Sites DO15: All new buildings, public spaces and outdoor spaces are welcoming, safe and universally accessible.
- Arts and Heritage DO8: Arts, heritage and entertainment spaces are incorporated throughout the city.
- Arts and Heritage DO10: Surrey celebrates, protects, and promotes its natural and built heritage sites.
- Arts and Heritage SD13: Protect natural and built heritage sites.
- All Infrastructure DO5: Public art and heritage are integrated into Surrey's infrastructure.
- All Infrastructure SD1: Proactively manage community assets to maintain them over the long-term in a state of good repair.
- All Infrastructure SD4: Enhance the public interface of City infrastructure through arts, heritage, and education.

CONCLUSION

Based on the above discussion, it is recommended that Council support the award of contract for Strawberry Hill Hall to Proactive Construction Ltd. for the reasons outlined above.

Original signed by
Jean Lamontagne
General Manager, Planning & Development

CA/JH/RG/ss/