

NO: R112

COUNCIL DATE: July 13, 2020

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **July 9, 2020**

FROM: **General Manager, Engineering**

FILE: **1718-005/11**

SUBJECT: **Award of Contract No. 1718-005-11
Collector Road and Intersection Improvements**

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract No. 1718-005-11 to Lafarge Canada Inc. in the amount of \$2,972,909.10 (including GST) for collector road and intersection improvements project;
2. Set the expenditure authorization limit for Contract No. 1718-005-11 at \$3,270,000.00 (including GST and contingency); and
3. Authorize the General Manager, Engineering to execute Contract No. 1718-005-11.

SCOPE OF WORK

The construction package related to this contract consists of the road improvements along 156 Street from 108 Avenue to 110 Avenue involving the installation of sidewalks, bike lanes, streetlighting, and paving. The construction also includes intersection improvements and related roadwork at the 104 Avenue and 154 Street intersection. The project locations 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	R-16145	Collector widening	156 Street: 108 Avenue to 110 Avenue
2	R-16391	Arterial paving	104 Avenue: 152 Street to 156 Street
3	R-16499	Arterial intersection improvements and related road improvements	104 Avenue and 154 Street

The Contract permits construction from 7:00 a.m. to 10:00 p.m., Monday through Friday, in compliance with the *Surrey Noise Control Bylaw, 1982, No. 7044*. In an effort to explore opportunities to reduce the cost and duration of construction projects, and associated impact on road users, the Tender Submissions required contractors to indicate the cost or savings to the City and a savings in total working days if the City were to permit contractors to work 24-hours a day, seven days a week. This option was provided for Project R-16499, as it is located at 104 Avenue and 154 Street and is outside a residential area.

The Contract work is expected to start in August 2020 and be completed by Summer 2021, with the intersection improvements at 104 Avenue and 154 Street anticipated for completion in October 2020.

TENDER RESULTS

Tenders for the subject contract were opened on June 23, 2020 with the following results:

<i>Contractor</i>	<i>Tendered Amount with GST</i>	<i>Corrected Amount</i>
1. Lafarge Canada Inc.	\$2,972,550.00	\$2,972,909.10
2. All Roads Construction Ltd.	\$3,237,675.00	No Change
3. Crown Contracting Ltd.	\$3,285,945.08	No Change
4. Eurovia British Columbia Inc.	\$3,700,299.86	No Change
5. Jack Cewe Construction Ltd.	\$3,817,076.55	No Change

The Engineer's (Aplin & Martin Consultants Ltd.) pre-tender estimate was \$3.31 million, 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 and were signed and sealed on the Tender Form.

Lafarge Canada Inc. was the lower bidder based on construction being permitted from 7:00 a.m. to 10:00 p.m., Monday through Friday. Lafarge Canada Inc. offered no time savings from the permitted 80 working days allowed in the Contract; however, Lafarge Canada Inc. indicated there would be a financial increase of \$18,324.00 for the contractor to work 24-hours, seven days a week. There are a few possible factors for cost increase, which include:

- Longer work hours, and therefore higher premiums for labour;
- Lack of labour in order to allow for the scheduling of crews 24-hours a day, seven days a week;
- Challenges in securing the supply and deliver of materials after regular working hours; and
- Additional equipment rental for night-time works.

As there are no financial savings expected from Lafarge Canada Inc. working 24-hours a day, seven days a week, as well as no time savings, the City will not move forward with this option for the contractor to work 24-hours a day, seven days a week.

Lafarge Canada Inc. has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond, and agreed to complete the work within 80 working days, as stipulated in the contract. Lafarge Canada Inc.'s past performance on similar work has been satisfactory. They have no outstanding legal claims against the City. It is recommended that Lafarge Canada Inc. be awarded Contract No. 1718-005-11.

SUSTAINABILITY CONSIDERATIONS

The work of this contract supports the objectives of the City's Sustainability Charter 2.0. In particular, this project relates to the Sustainability Charter 2.0 theme of Infrastructure. Specifically, this work supports the following Desired Outcomes ("DO"):

- All Infrastructure Do1: City facilities and infrastructure systems are well managed, adaptable and long lasting, and are effectively integrated into regional systems; and
- Transportation Do14: Goods movement throughout the City is efficient, and minimizes environmental and community impacts.

FUNDING

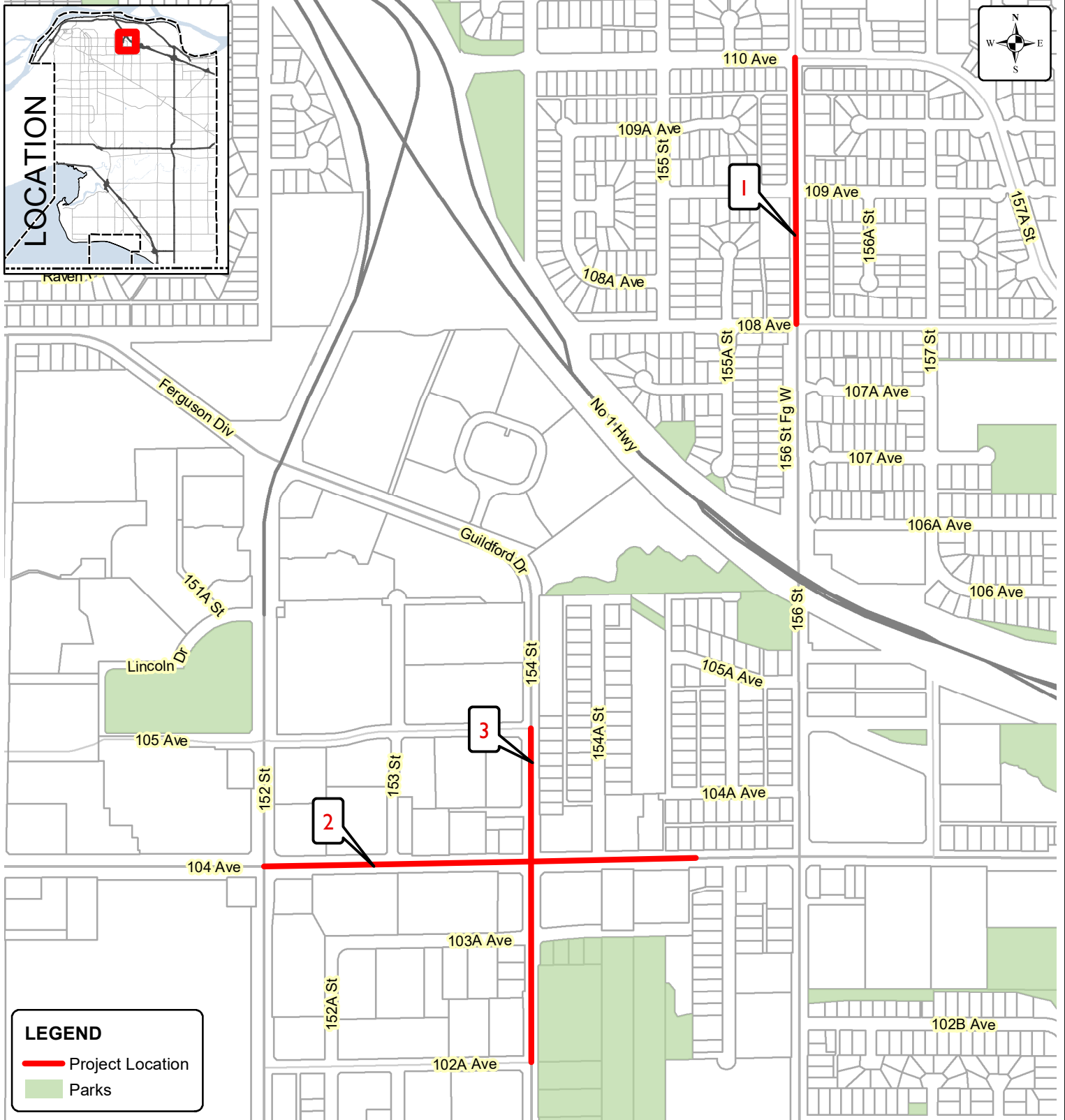
Annually, TransLink provides funding to municipalities for operation, maintenance and pavement rehabilitation ("OMR") of MRN roads to ensure they are maintained in an adequate state of good repair. The City receives approximately \$12.7 million in OMR funding, which is based on the length of MRN roads in each municipality. In 2020, TransLink has issued the first \$1,854,000 funding payment; however, TransLink independently has chosen to defer the remaining 2020 payments to municipalities due to financial impacts of the COVID-19 pandemic.

Funding for this contract is available in the approved 2020 Transportation Budget. The portion of work on 104 Avenue is funded through accumulated OMR reserves from 2019.

Scott Neuman, P.Eng.
General Manager, Engineering

JC/VJ/NC/cc

Appendix "I" – Map of Locations – Contract No. 1718-005-11.



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Scale: 1:8,000 0 80 M



CONTRACT No. 1718-005-11 Collector Road and Intersection Improvements

ENGINEERING DEPARTMENT