



# **Corporate** NO: R066

# **Report** COUNCIL DATE: March 27, 2000\_

## **REGULAR COUNCIL**

**TO: Mayor & Council DATE: March 20, 2000**

**FROM: Manager, Land Development & Transportation  
Engineering Department FILE: 1799-017/11**

**SUBJECT: Nordel Way Completion Project**

## **RECOMMENDATION**

That Council authorize the Engineering Department to:

1. Award Contract M.S. 1799-017 to the low bidder, TAG Construction Ltd., in the amount of \$2,418,651.00, including GST.
2. Issue a purchase order to B.C. Hydro in the amount of \$406,000, plus GST, for relocation of transmission lines.
3. Issue a purchase order to B.C. Gas in the amount of \$875,000, plus GST, for relocation and adjustments to their 910mm diameter trunk main.
4. Reimburse the Corporation of Delta for Surrey's 50% share of construction works that they will be undertaking on Scott Road. The current estimate for these works is \$238,587.53, including GST.

## **SCOPE OF WORK**

The City of Surrey and the Corporation of Delta are jointly planning to complete Nordel Way between 116 Street (in Delta) and 123 Street (in Surrey). The major components of this project include: road construction to be undertaken in Surrey (TAG Construction); relocation of B.C. Hydro transmission lines; relocation and adjustments to the B.C. Gas 910mm trunk main; and widening of Scott Road at Nordel Way. The Corporation of Delta have included the installation of a traffic signal and the intersection widening of Scott Road in their contract, which is cost-shared 50/50 with the City. The estimate for Surrey's portion of this work is \$238,587.53.

B.C. Hydro and B.C. Gas have scheduled outages on their systems to accommodate the construction of Nordel Way. In order to meet these schedules, work must commence by the end of March for B.C. Hydro and by May 1 for B.C. Gas. It is expected that the road works would start in April and be completed by December.

## TENDER RESULTS

Tenders for road construction Contract M.S. 1799-017 were received on March 14, 1999, with the results as follows:

	<i>Tender Amount</i>	<i>Corrected</i>
<i>Contractor</i>	<i>With GST</i>	<i>Amount</i>
1. TAG Construction Ltd.	\$2,418,651.00	
2. Gemco Construction Ltd.	\$2,580,006.47	
3. B&B Contracting Ltd.	\$2,626,730.70	
4. Matcon Excavating Ltd.	\$2,632,981.10	\$2,634,907.10
5. Progressive Contracting Ltd.	\$2,772,279.05	\$2,772,272.63
6. Aggressive Roadbuilders Ltd.	\$2,805,491.85	
7. Jack Cewe Ltd.	\$2,997,362.65	

The pre-tender funding allocation for this contract was \$2.4 million, including GST.

## EVALUATION

All tenders were checked for legal or mathematical errors. Matcon and Progressive made minor extension errors; the corrected values are shown above. The low bidder for Contract M.S. 1799-017 is TAG Construction Ltd.; their past performance on similar work with the City has been satisfactory.

## FUNDING

Funding details are shown in the attached Financial Statement (Appendix One).

Total funding required	\$6,877,000
Available funding	<u>\$6,365,000</u>
Shortfall	(\$ 512,000)

Unallocated Road Program funds are available to cover the funding shortfall. The \$512,00 shortfall is attributable to several factors as follows: recent increases in utility relocation cost forecasts by both BC Gas (\$306,000 due to the conditions discovered during detailed design, not anticipated when the estimate was provided) and BC Hydro's Tender price (\$154,000); higher asphalt rates due to recent oil price increases (\$25,000); and revisions to the scope of work during the design stage (\$27,000). The shortfall may be partially

offset by unused contingency (\$334,000) and the future sale of surplus property (\$100,000). TransLink currently shares 50/50 on the City's portion of the costs and have committed \$2,038,500.00 to the project. We have also requested that TransLink honour the 50/50 cost-sharing principle, which would increase their share and further reduce the funding shortfall.

Jamie Umpleby, P.Eng.

Manager, Land Development & Transportation

PDZ:sew

#### Attachments

- c.c. - General Manager, Finance, Technology & HR Dept.
- Roads & Transportation Planning Manager, Engineering Dept.

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