



Corporate *NO: R103*

Report *COUNCIL DATE: May 7, 2001_*

REGULAR COUNCIL			
TO:	Mayor & Council	DATE:	May 2, 2001
FROM:	General Manager, Engineering General Manager, Parks, Recreation & Culture Acting General Manager, Finance, Technology & Human Resources	FILE:	0523-720-03
SUBJECT:	Award of General Construction Tender for Surrey Arts Centre Redevelopment		

RECOMMENDATION

That the General Construction Contract for the Surrey Arts Centre Redevelopment be awarded to Swagger Construction Ltd. in the amount of \$5,589,500.00 (\$5,588,000.00 base bid price plus net additional cost \$1,500.00 in selected alternate and separate prices) plus \$391,265.00 GST (100% refundable) for a total contract price of \$5,980,765.00

BACKGROUND

The Surrey Arts Centre Redevelopment Project consists of renovating the 32,000 square feet of existing area and the construction of an addition of 20,000 square feet of new area which will include in general a new studio theatre, an extended lobby, an enclosed landscaped garden, new studio classrooms, an expanded art gallery, renovated and new dressing rooms, and renovated backstage and administrative areas. The project also includes seismic and mechanical upgrading to the existing building.

Tenders for the General Construction were received on Thursday, April 26, 2001 from four prequalified General Contractors. Seven Contractors were prequalified and selected through a rigorous three stage evaluation based on financial health, past experience, similar size and type of construction projects, proposed personnel and references. Three of the prequalified general contractors withdrew their intentions to bid prior to the Close of Tender.

The four bids received were:

Contractor	Base Bid	Separate Prices 1&4 Alternate Prices 1&15	Contract Price
Ledcor Special Projects	\$ 5,520,000	\$ 77,100	\$ 5,597,100
Swagger Construction	\$ 5,588,000	\$ 1,500	\$ 5,589,500
DGS Construction	\$ 5,800,000	\$ 84,500	\$ 5,884,500
PAX Construction	\$ 6,050,050	\$ 70,668	\$ 6,120,718

EVALUATION

The Tender Form requested a Base Bid Price, seven Separate Prices, and fifteen Alternate Prices. All of the separate and alternate prices were evaluated and decided to include only four at the time of this award. The bid prices are valid for a period of 60 days, and the City reserves the right to defer decisions on the balance of the Separate and Alternate Prices received. All four bids were evaluated with same 4 inclusions. The low base bid received was from Lecor Special Projects. When the additional four prices for Separate Price # 1 and 4, and Alternate Price #1 and 15 are considered, the resultant low bid is \$5,589,500 by Swagger Construction Limited.

The Tenders were also evaluated on the basis of completeness (irregularities), the schedule included with the Base Bid, and on the availability and references of the key personnel assigned to this project by the General Contractor.

Ledcor's bid included some minor irregularities as well as a qualification on the bid price, which can be considered to be a defective bid and reason to reject. Swagger's bid was complete in all information requested and without qualification.

The experience, availability, and references for the Project Manager and Site Superintendent were also evaluated and taken into consideration. The Site Superintendent named by Ledcor is not available on this project until end of June. Until then an Assistant Superintendent will be in charge of mobilisation and site start-up. The Site Superintendent named by Swagger will be immediately assigned full-time to this project upon Award of Contract. References for all individuals and the companies were acceptable.

It is intended for this project to commence immediately upon Award of Contract. The Tender documents expect site mobilisation and set-up to commence within 10 days of award.

We have reviewed the tender prices and find that it is within the total project budget for the Surrey Arts Centre Redevelopment and within our Budget with adequate contingency.

CONCLUSION

The tender of \$5,589,500.00 is within the total funding available for the project with a total project contingency of \$529,500 for Change Orders to the Contract and amendments to the budget estimates. It is therefore, recommended to proceed with the construction of the facility and award the contract to Swagger Construction Ltd.

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