



Corporate

 NO: R134

Report

 COUNCIL DATE: June 24, 2002**REGULAR COUNCIL**

TO:	Mayor & Council	DATE:	June 20, 2002
FROM:	General Manager, Engineering General Manager, Parks, Recreation & Culture	FILE:	0760-20
SUBJECT:	South Surrey Fitness Room Expansion – Award of Construction Contract		

RECOMMENDATION

That the General Construction Contract for the South Surrey Fitness Room Expansion be awarded to M.G.M. Construction Ltd., being the low bidder, in the amount of \$260,400 (\$228,000 base bid price plus net additional cost \$32,400 in alternate prices) plus \$18,228 GST, for a total contract price of \$278,628.

BACKGROUND

The South Surrey Fitness Expansion Project consists of a 140 sq.m. (1,507 sq.ft.) addition to the existing facility located at the South Surrey Indoor Pool. The addition will consist of a new cardio theatre. Tenders for the General Construction Contract were received on Wednesday, June 19, 2002, from nine general contractors.

The nine bids received were:

Contractor	Base Bid (not including GST)
MGM Construction Ltd.	\$ 228,000.00
CDC Construction Ltd.	231,797.00
KDS Construction Ltd.	239,000.00
Wood Projects Ltd.	240,723.00
Tritan Construction Ltd.	243,000.00

PCG Preferred Construction Group Inc.	245,300.00
Novacom Construction Ltd.	252,855.00
Darwin Construction (Western) Ltd.	257,800.00
Blue Ocean Construction Inc.	430,000.00

In addition, there were 4 alternate prices requested. For the low bidder, the total of the four alternate prices equals \$32,400, for a total tender price of \$260,400 not including GST. This remains the low overall bid; the second bid inclusive of all four alternate prices is CDC Construction at \$265,332.

The alternate prices are for work that represents significant features for the facility but which could have been deferred for future years' construction if the base construction cost had exceeded the current budget allowance.

EVALUATION

The budget for this project was \$300,000. Since the entire project is under budget, it is recommended to accept all four alternate prices at this time. The low bid from MGM Construction, inclusive of the alternate prices, totals \$260,400. The architect has worked with MGM Construction previously and their performance has been satisfactory.

It is intended for this project to commence immediately upon Award of Contract. The tender documents expect site mobilization and set-up to commence within 10 days of award. It is anticipated that the project will be complete in early November 2002.

CONCLUSION

The tender of \$260,400 is within the total funding available for the project. It is, therefore, recommended to proceed with the construction of the addition and award the contract to MGM Construction Ltd.

Paul Ham, P.Eng.

General Manager, Engineering

Don Hunter

General Manager,

Parks, Recreation & Culture

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