



Corporate NO: R173

Report COUNCIL DATE: September 3, 2002

REGULAR COUNCIL

TO: Mayor & Council **DATE: August 29, 2002**

FROM: General Manager, Engineering **FILE: 4700-500/21**

SUBJECT: Contract Award M.S. 4700-500-02, Kedco Constructors Ltd.

RECOMMENDATION

That staff be authorized to award Contract M.S. 4700-500-02 to the low bidder, Kedco Constructors Ltd., in the amount of \$346,188.87, including GST, subject to receiving a contribution of \$243,000 from LDM Services Ltd..

BACKGROUND

In February of this year, Council approved a report authorizing a Development Works Agreement for a portion of East Newton South NCP area located west of 152 Street. This Agreement is set to recover the frontender's cost for advancing the construction of this sanitary pump station from all the subsequent developers in the agreement benefit area.

LDM Services Ltd., a frontending developer in the catchment area, has agreed to pay \$243,000 as part of his frontender's agreement and has informed the City that he will deposit the funding before the fourth reading of their subdivision. This fourth reading is anticipated for September 9, 2002.

To avoid losing the validity of this tender, as the bid bond is valid for only 60 days, the City needs to secure this funding from the developer and award the tender immediately within the next 10 days.

SCOPE OF WORK

The scope of work includes the installation of a 60 L/s sanitary pump station at 15400 block/68 Avenue. This sanitary pump station will serve the East Newton Business Park and a portion of East Newton South NCP area (west of 152 Street).

Construction is expected to start on September 2002, and be completed by February 2003.

TENDER RESULTS

Tenders for Contract M.S. 4700-500-21 were received on July 17, 2002, with the results as follows:

<i>Contractor</i>	<i>Tendered Amount</i>	<i>Corrected</i>	<i>Amount</i>
1. Kedco Constructors Ltd.	\$346,188.87	No change	
2. Westpro Constructors Group Ltd.	445,478.45	No change	
3. Merletti Construction (1999) Ltd.	452,417.40	No change	
4. Westport Construction Group Inc.	623,756.50	No change	
5. Tritech Industries Ltd.	628,659.97	No change	

The Engineer's pre-tender estimate was \$660,000, including GST.

EVALUATION

All tenders were reviewed by our consultant. They found no mathematical errors. Tritech Industries Ltd. qualified their tender price for Section 2 of the Schedule of Quantities and Prices. This does not affect the tender as Tritech Industries Ltd. is the fifth lowest tenderer. The low bidder, Kedco Constructors Ltd., has not worked with the City before; however, reference checks by our consultant have found that their past performance with the other clients in the Lower Mainland to be satisfactory.

FUNDING

Total funding required \$ 968,000
Available funding 1,219,600
Return to Sewer Budget \$ 251,600

Paul Ham, P.Eng.
General Manager, Engineering

VL/RL/PH/brb/kjj

- c.c. - General Manager, Finance, Technology & HR Dept.
- Paul Sangalang, Finance, Technology & HR Dept.

