



Corporate Report

NO: R144

COUNCIL DATE: June 23, 2003

REGULAR COUNCIL

TO: **Mayor &
Council**

DATE: **June 23,
2003**

FROM: **General
Manager,
Engineering**

FILE: **1702-
008/11**

SUBJECT: **Contract Award - M.S. 1702-008-01;
Aggressive Roadbuilders Ltd.**

RECOMMENDATION

That Contract M.S. 1702-008-01 be awarded to the low bidder, Aggressive Roadbuilders Ltd., in the amount of \$1,787,649.00, including GST.

SCOPE OF WORK

The following is a list of arterial grind and pave projects included in Contract M.S. 1702 008-01:

ID #	Proj #	Location
7077	17012080-00	140 Street: 91A to 96 Ave
8427	48023110-00	140 St: 91 to 91A Ave
8982	38034020-00	92 Ave at 140 Street
8632	38034030-00	93A Ave at 140 Street
8983	17033130-00	84 Avenue: west of 128 Street

TENDER RESULTS

Tenders for Contract M.S. 1702-008-01 were received on June 19, 2003, with the results as follows:

	Contractor	Tender Amount with GST
1.	Aggressive Roadbuilders Ltd.	\$1,787,649.00
2.	Jack Cewe Ltd.	\$2,204,231.03
3.	B & B Contracting Ltd.	\$2,217,600.00

The Engineer's pre-tender estimate was \$2,030,000.00 including GST.

EVALUATION

All tenders were reviewed by our consultant. No legal or mathematical errors were found. All the tenders submitted the required 10% bid bond, and signed and sealed the Tender Form and Summary Sheet of the Schedule of Quantities and Prices.

The number of tenders received was less than anticipated. Many contractors that typically bid this type of project are now very busy with other contracts or tenders and elected not to participate in this project.

As the low bid was substantially lower than the second and third tender prices, we also compared this tender, R08/02, with an earlier contract awarded to Aggressive Roadbuilders Ltd. in April 2003, R05/02. R05/02 was a very competitive tender with only a \$4,000.00 dollar difference between low and second bid on a \$2.6 million total value.

We observe that the prices submitted by Aggressive for R05/02 are, in most cases, the same or only slightly higher than for R08/02. We conclude from this that Aggressive Roadbuilders Ltd. used the same cost/profit structure in preparing both tenders and were not influenced by other market factors. The substantially higher second and third bids more reflect the "peak season" pricing rather than the actual value of the work.

The low bidder, Aggressive Roadbuilders Ltd., has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond, and agreed to complete the work in 75 days as stipulated in the contract. Aggressive Roadbuilders Ltd.'s past performance on similar work with the City has been satisfactory.

FUNDING

Funding is available within the approved Engineering budget.

Paul Ham, P.Eng.
General Manager, Engineering

RB/brb

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

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