

**REGULAR COUNCIL**

TO: **Mayor & Council** DATE: **November 15, 2023**  
 FROM: **General Manager, Engineering** FILE: **5522-001/31**  
 SUBJECT: **Award of Contract No. 5522-001-31**  
**District Energy Distribution Piping Expansion**

**RECOMMENDATIONS**

The Engineering Department recommends that Council:

1. Award Contract No. 5522-001-31 to Complete Utility Contractors Ltd. in the amount of \$5,661,533.33 (including GST), for District Energy Distribution Piping Expansion project;
2. Set the expenditure authorization limit for Contract No. 5522-001-31 at \$6,230,000.00 (including contingencies and GST); and
3. Authorize the General Manager, Engineering to execute Contract No. 5522-001-31.

**INTENT**

The intent of this Corporate Report is to seek Council’s approval to award a contract for the District Energy Distribution Piping Expansion project.

**DISCUSSION**

**Scope of Work**

The construction package related to this contract consists of the installation of approximately 885 metres of District Energy insulated steel pipe, service connections, leak detection system, and communication conduit. The work will be located at the locations listed in the following table, which are also illustrated on the map attached to this report as Appendix “I”:

Map Reference Number	Project #	Project Description	Location
1	E-19225	District Energy System Extension	106 Ave: City Parkway and 135A St 135A St: 106 Ave to 107A Ave
2	E-19080	District Energy System Extension	105 Ave: University Drive and City Parkway

The contract permits construction from 7:00 a.m. to 10:00 p.m., Monday through Friday, in compliance with the *Surrey Noise Control Bylaw, 1982, No. 7044*. The contract includes short duration road closures to facilitate construction.

### Invitation to Tender Results

An Invitation to Tender followed the City's Purchasing Bylaw and was publicly posted on the BC Bid and City of Surrey websites. Tenders for the subject contract were opened on October 20, 2023 with the following results:

<i>Contractor</i>	<i>Tendered Amount with GST</i>	<i>Corrected Amount</i>
1. Complete Utility Contractors Ltd	\$5,661,533.20	\$5,661,533.33
2. Rissling Services Ltd.	\$6,238,030.05	No Change
3. Robert B. Somerville Co. Limited	\$7,983,699.94	\$7,962,914.83
4. Clearway Construction Inc.	\$8,261,675.10	No Change

The Engineer's (Associated Engineering Ltd.) pre-tender estimate was \$6.2 million (including GST).

### Evaluation

The submissions were reviewed for accuracy and completeness. There were two arithmetic errors that had no bearing on the outcome of the tender process. All submissions included the required 10% bid bond, and were signed on the Tender Form.

The low bidder, Complete Utility Contractors Ltd., has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond, and agreed to complete the work within 130 working days, as stipulated in the Contract. Complete Utility Contractors Ltd.'s past performance on similar work has been satisfactory. They have no outstanding legal claims against the City. It is recommended that Complete Utility Contractors Ltd. be awarded Contract No. 5522-001-31.

### Project Schedule

The contract work is expected to start in November 2023 and be completed by May 2024.

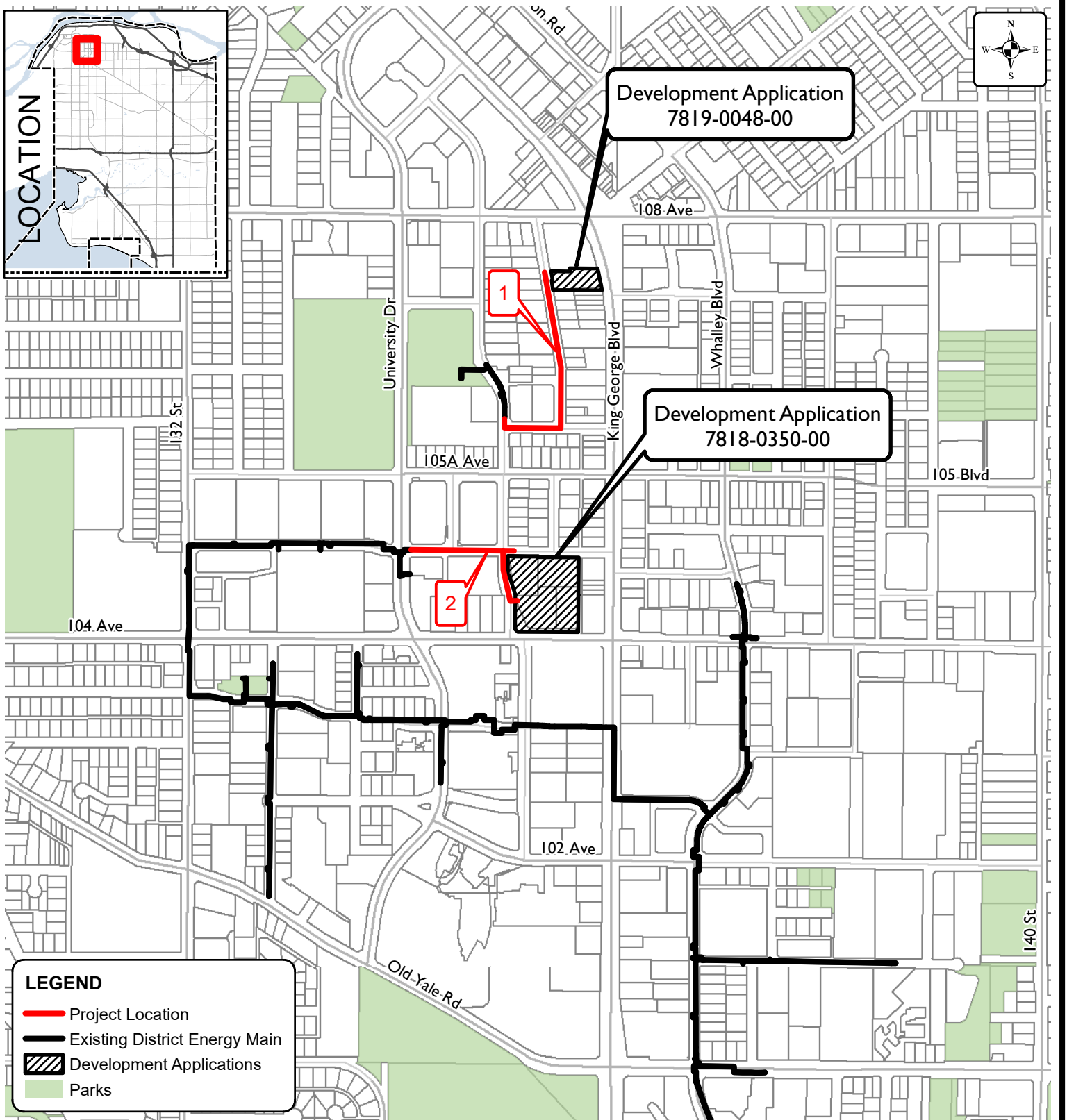
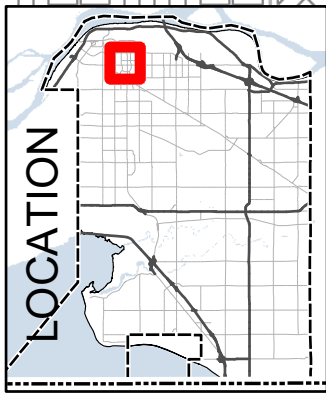
### FUNDING

Funding for these projects has been allocated in the draft 2024 District Energy Utility capital budget

Scott Neuman, P.Eng.  
General Manager, Engineering

VJ/bn

Appendix "I" – Map of Locations – Contract No. 5522-001-31



### LEGEND

- Project Location
- Existing District Energy Main
- Development Applications
- Parks

Produced by GIS Section: 20-Sep-2023

Scale: 1:10,000



## Contract No. 5522-001-31 District Energy Piping System

## ENGINEERING DEPARTMENT