

NO: R177

COUNCIL DATE: October 30, 2023

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **October 26, 2023**

FROM: **General Manager, Engineering** FILE: **0520-20 (PQ)**

SUBJECT: **Pre-Qualification of Paving Contractors for Arterial, Collector, and Local Road Pavement Rehabilitation Program**

RECOMMENDATION

The Engineering Department recommends that Council:

1. Receive this report for information; and
2. Endorse staff to develop a list of pre-qualified contractors for the period up to December 31, 2026, as described in this report and attached as Appendix "I" for Tier 1, Tier 2, and Tier 3 Pavement Rehabilitation Program projects.

INTENT

The purpose of this report is to obtain endorsement for the development of a list of pre-qualified paving contractors for arterial, collector and local road pavement rehabilitation program.

BACKGROUND

In 2011, the City adopted an approach of pre-qualifying paving contractors as part of the City initiated road paving Engineering capital construction projects.

Tenders for City-initiated paving capital construction projects are limited to tenders from those contractors on the pre-qualified paving contractor lists. The objective is to have experienced contractors capable of high standards of workmanship, proven safety records, and sound traffic management experience carry out work in the repaving programs.

The Engineering Department has undertaken a process to renew the list of pre-qualified contractors, and the current list will expire at the end of 2023.

DISCUSSION

An advertisement was placed on the City's website and on the BC Bid website inviting contractors to submit a Statement of Qualifications ("SOQ") for paving projects. A package of documentation was prepared for contractors that were interested in making a submission. Included in the package was an outline of the scope of the work related to typical projects under each category of work and the evaluation criteria that would be used as the basis for determining which contractors would be pre-qualified. A total of 12 contractors submitted SOQs for consideration by the City. The names of all of the contractors that made a submission to the City are listed in Appendix "II".

The 2024 pre-qualified paving contractor lists will be used for City-initiated paving capital construction projects. The works typically involve milling of paved surfaces, full depth reclamation, installation of granular materials, asphalt paving, and thermoplastic pavement markings on existing roads. Dependent on expertise and capability, a contractor may qualify for any of the three tiers of paving work.

A three-tier approach provides smaller contractors with an opportunity to gain experience on projects with lower complexity and through this experience be better positioned to take on larger or more complex projects during the next round of pre-qualification. This does not preclude those that do not qualify initially from carrying out Engineering Operations nor Land Development works, or other City capital contracts that involve some paving work, such as utility replacements or road widening, and thereby gaining the credentials necessary to qualify for work on one or more of the tiers.

The following table summarizes the key criteria used in determining eligibility for contractors to work on Tier 1, Tier 2, and Tier 3 projects:

Description	Criteria
Tier 1 – Major Arterial Road Paving (Generally greater than \$3.5M)	<ul style="list-style-type: none">• Control of milling equipment; and• Net Tier 2 criteria.
Tier 2 - Medium Road Paving (Arterial/Collector/Local) (Generally \$1.0M up to \$3.5M)	<ul style="list-style-type: none">• Control and production capacity of asphalt plant;• Generally high volume of projects; and• Net Tier 3 criteria.
Tier 3 - Minor Road Paving (Local/Lane/Parking Lot) (Generally less than \$1.0M)	<ul style="list-style-type: none">• Experience;• Work volume;• References; and• Deficiency history.

Staff have confirmed that the contractors have no outstanding legal claims against the City that would prevent the City from awarding a contract with any of the contractors that are recommended on the pre-qualification list.

Recommended Pre-Qualification List

Of the 12 submissions that were received by the City, 10 submissions were deemed to be suitable to include on one or more of the pre-qualified contractor lists. The decision to exclude 2 of the submissions from the pre-qualified contractors list was primarily based on their inadequate experience in paving projects. The recommended pre-qualified contractors for each Tier are listed in Appendix “I”.

Annual Review of Pre-Qualification List

Given the term of the pre-qualification list, the City has reserved the right and ability to amend the pre-qualification list based on contractor’s performance on projects, changes in personnel and company resources, safety and environmental compliance, and potential litigation. In addition, the City has the ability to add contractors to the pre-qualification list(s) based on future requests and evaluation by staff consistent with the criteria described in this report. Staff will review the pre-qualified list(s) on an annual basis.

CONCLUSION

Based on the above discussion, it is recommended that Council authorize staff to develop a list of pre-qualified paving contractors for the years 2024 through 2026 as described in this report.

Scott Neuman, P.Eng.
General Manager, Engineering

VJ/JR/cc

Appendix "I" - Recommended Pre-qualified Contractors
Appendix "II" - Contractors that submitted a SOQ to the City

Recommended Pre-qualified Contractors

Tier 1 –MRN/Arterial Paving Projects:

1. All Roads Construction Ltd.
2. BA Blacktop Ltd.
3. Grandview Blacktop Ltd.
4. Jack Cewe Ltd.
5. Lafarge Canada Inc.
6. Mainland Construction Materials ULC dba Winvan Paving

Tier 2 – Medium Road (Arterial/Collector/Local):

1. All Roads Construction Ltd.
2. BA Blacktop Ltd.
3. Grandview Blacktop Ltd.
4. Jack Cewe Ltd.
5. Key-West Asphalt (333) Ltd.
6. Lafarge Canada Inc.
7. Mainland Construction Materials ULC dba Winvan Paving

Tier 3 – Minor Road (Local Road/Lane/Parking Lot):

1. All Roads Construction Ltd.
2. BA Blacktop Ltd.
3. GB Paving Ltd.
4. Grandview Blacktop Ltd.
5. Jack Cewe Ltd.
6. Key-West Asphalt (333) Ltd.
7. Lafarge Canada Inc.
8. Mainland Construction Materials ULC dba Winvan Paving
9. Pavex Paving Ltd.
10. Save-On Blacktop

APPENDIX "II"

Contractors that submitted a SOQ to the City

1. All Roads Construction
2. BA Blacktop Ltd.
3. Father & Son Masonry & Curbing Ltd.
4. GB Paving Ltd.
5. GPM Civil Contracting Incorporated
6. Grandview Blacktop Ltd.
7. Jack Cewe Ltd.
8. Key-West Asphalt (333) Ltd.
9. Lafarge Canada Inc.
10. Mainland Construction Materials ULC dba Winvan Paving
11. Pavex Paving Ltd.
12. Save-on Blacktop