

NO: R248

COUNCIL DATE: December 2, 2024

REGULAR COUNCIL

TO: Mayor & Council **DATE: November 28, 2024**

FROM: General Manager, Engineering **FILE: 5523-001/21**
General Manager, Finance

SUBJECT: Award of Contract No. 5523-001-21
District Energy Distribution Piping Expansion

RECOMMENDATIONS

The Engineering Department and the Finance Department recommend that Council:

1. Award Contract No. 5523-001-21 to Clearway Construction Inc. in the amount of \$2,987,252.63 (including GST) for District Energy Distribution Piping System Expansion;
2. Set the expenditure authorization limit for Contract No. 5523-001-21 at \$3,300,000.00 (including contingencies and GST); and
3. Authorize the General Manager, Engineering to execute Contract No. 5523-001-21.

INTENT

The intent of this report is to seek Council’s approval to award an agreement for the District Energy Distribution Piping System Expansion.

DISCUSSION

Scope of Work

The construction package related to this contract consists of the installation of approximately 500 metres of District Energy insulated steel pipe, service connections, leak detection system, and communication conduit. These works will directly service three new developments at the locations listed in the following table, and are also illustrated on the map attached to this report as Appendix “I”:

Map Reference Number	Project #	Project Description	Location
1	E-19518	District Energy System Extension	97A Avenue & 137A Street
2	E-19527	District Energy System Extension	Lane east of 132 Street & south of 105 Avenue
3	E-19516	District Energy System Extension	105 Avenue: City Parkway to 135A Avenue

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. Five tenders were received for the subject contract and were opened on November 19, 2024 with the following results:

<i>Contractor</i>	<i>Tendered Amount with GST</i>	<i>Corrected Amount</i>
1. Clearway Construction Inc.	\$2,987,252.63	No Change
2. Complete Utility Contractors Ltd.	\$2,992,500.00	No Change
3. Robert B. Somerville Co. Limited	\$3,207,945.89	\$3,215,819.10
4. B&B Heavy Civil Construction Ltd.	\$3,700,830.00	No Change
5. Risling Services Ltd.	\$3,999,524.55	No Change

The Engineer's (Kerr Wood Leidal Associates) pre-tender estimate was \$3.6 million (including GST).

Evaluation

The submissions were reviewed for accuracy and completeness. There was one arithmetic error 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, Clearway Construction Inc. has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond and agreed to complete the work within 150 working days, as stipulated in the contract. Clearway Construction Inc.'s past performance on similar work has been satisfactory. They have no outstanding legal claims against the City. It is recommended that Clearway Construction Inc. be awarded Contract No. 5523-001-21.

Project Schedule

The contract work is expected to start in January 2025 and be completed by August 2025.

FUNDING

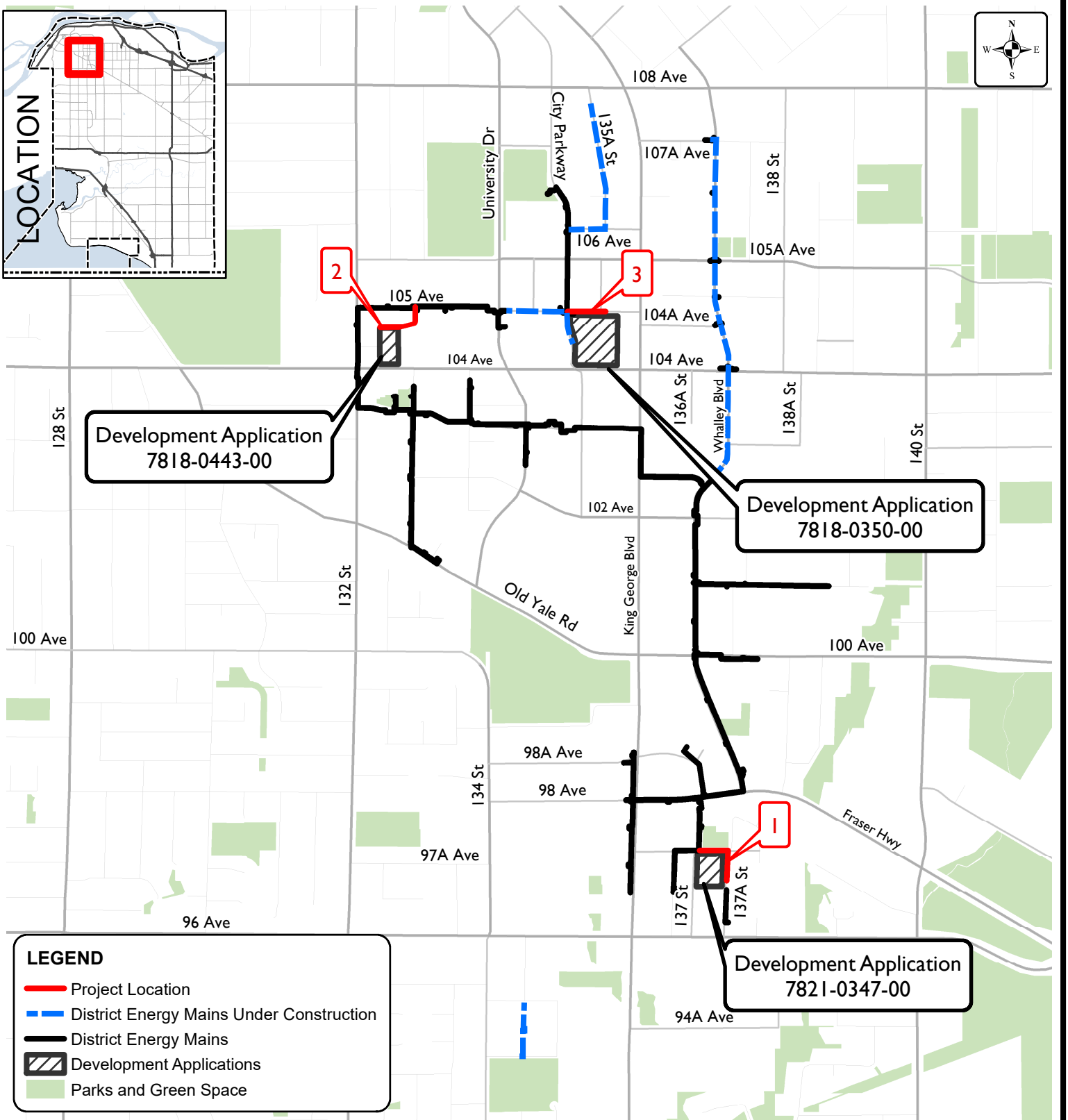
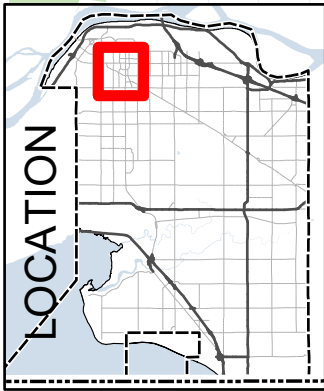
Funding for this contract is available in the approved 2024 Utility Budget.

Scott Neuman, P.Eng
General Manager, Engineering

Kam Grewal
General Manager, Finance

VJ/bn

Appendix "I" – Map of Locations – Contract No. 5523-001-11



LEGEND

- Project Location
- - - District Energy Mains Under Construction
- District Energy Mains
- Development Applications
- Parks and Green Space

Produced by GIS Section: 12-Nov-2024

Scale: 1:15,000



Contract No. 5523-001-21 District Energy Distribution Piping Expansion

ENGINEERING
DEPARTMENT

The data provided is compiled from various sources and IS NOT warranted as to its accuracy or sufficiency by the City of Surrey.
This information is provided for information and convenience purposes only.
Lot sizes, Legal descriptions and encumbrances must be confirmed at the Land Title Office.