

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **December 11, 2024**

FROM: **General Manager, Corporate Services** FILE: **0710-01**

SUBJECT: **Award of Contract No. 1220-040-2024-087 for the City of Surrey - Operations Building Tenant Improvement**

RECOMMENDATION

The Corporate Services Department recommends that Council:

1. Award contract No. 1220-040-2024-087 for the City of Surrey - Operations Building Tenant Improvement to Willow Spring Construction (BC) Ltd. in the amount of \$1,494,262.59 including applicable taxes;
2. Set the expenditure authorization limit for Contract No. 1220-040-2024-087 to \$1,643,688.85 including applicable taxes; and
3. Authorize the General Manager, Corporate Services Department, or his delegate to execute Contract No. 1220-040-2024-087.

INTENT

The purpose of this report is to obtain Council approval to award Contract No. 1220-040-2024-087 (the "Contract") to Willow Spring Construction (BC) Ltd. for the City of Surrey – Operations Building Tenant Improvement ("the Project") as described in this report.

DISCUSSION

Background

Surrey City Hall, located at 13450 104 Avenue, accommodates approximately 850 staff who provide a wide range of civic services to residents. Since the facility opened in 2014, the City's population has grown substantially, necessitating an increase in staffing levels to meet evolving community needs. Given the projected continued growth of Surrey's population, further expansion of staff capacity is essential.

To address current and future operational needs, staff have evaluated several space planning strategies, including:

- Leasing office space
- Constructing a new building
- Flexible work options
- Densifying current civic buildings

Considering factors such as long-term costs, service delivery efficiency, operational effectiveness, and implementation timelines, densifying existing civic buildings emerged as the most practical and cost-effective solution for the foreseeable future.

The proposed project will create approximately 130 new workspaces at the City’s Operations Centre (6651 148 Street). This expansion will facilitate the relocation of staff from the Bylaws Division and the Social Infrastructure and Community Investment Department, optimizing their operational efficiency and enhancing customer service delivery.

Additionally, the project will enable the relocation of a small group of public safety staff currently housed in leased space at the Civic Hotel, resulting in annual savings of approximately \$250,000.

The scope of work for this project includes general supervision, labour, materials, equipment, transportation, insurance, and all necessary services for the construction and renovation at the Operations Centre. The project is scheduled to commence on January 6, 2025, with completion targeted for May 30, 2025.

Request for Quotations (RFQ) Process

A Request for Quotations (RFQ) was issued on October 31, 2024, and advertised on the City’s website and the BC Bid website. The RFQ closed on November 28, 2024, yielding ten submissions. The following table summarizes the submissions received, inclusive of GST:

Table 1

	Contractor	Price (inc. GST)
1	Willow Spring Construction (BC) Ltd.	\$ 1,494,262.59
2	Enduro Construction Ltd.	\$ 1,625,983.85
3.	Boston Construction Corp.	\$ 1,720,425.00
4.	Gibraltar Holdings Ltd.	\$ 1,723,362.33
5.	Halse-Martin Construction Co.	\$ 1,735,892.55
6.	Hilson Construction Ltd.	\$ 1,821,540.00
7.	Ice Special Projects Ltd.	\$ 1,936,163.52
8.	RJS Construction Ltd.	\$ 2,154,972.16
9.	Dawn Construction (2018) Ltd.	\$ 2,165,935.80
10.	Seaforth Construction Ltd.	\$ 2,435,911.85

Evaluation

The Project Team and external consultants reviewed all submissions for accuracy, completeness, and relevant experience. Following a thorough evaluation, Willow Spring Construction (BC) Ltd. was determined to offer the best overall value to the City based on cost, qualifications, and the ability to meet project requirements. In addition, this entity has no outstanding legal claims against the City. Accordingly, it is recommended that Willow Spring Construction (BC) Ltd. be awarded Contract No. 1220-040-2024-087.

FUNDING

The project is fully grant funded by the Housing Accelerator Fund (HAF).

LEGAL SERVICES REVIEW

Legal Services has reviewed this report.

CONCLUSION

It is recommended that Council approve the award of the contract for the City of Surrey - Operations Building Tenant Improvement to Willow Spring Construction (BC) Ltd. in the amount of \$1,643,688.85 (including applicable taxes).

Joey Jatinder Singh Brar
General Manager, Corporate Services