

NO: R123

COUNCIL DATE: May 28, 2018

REGULAR COUNCIL

TO: Mayor & Council

DATE: May 28, 2018

FROM: General Manager, Planning & Development

FILE: 0710-10 (Clayton Community Centre)

**SUBJECT: Award of Contract No. 1220-030-2017-031 (Phase 1)
Clayton Community Centre – Phase 1 Construction**

RECOMMENDATION

The Planning & Development Department recommends that Council:

1. Award Contract No. 1220-030-2017-031 (Phase 1) to EllisDon Corporation in the amount of 9,834,342.55, including GST, for the Phase 1 Construction scopes;
2. Set the expenditure authorization limit for Contract No. 1220-030-2017-031 (Phase 1) at \$10,000,000.00, including GST and contingency; and
3. Authorize the General Manager, Planning & Development, or his designate, to execute Contract No. 1220-030-2017-031 (Phase 1) and related change orders.

INTENT

The intent of this report is to obtain Council’s approval to award a contract related to the construction of Phase 2 work associated with the Clayton Community Centre to EllisDon Corporation (“EllisDon”).

BACKGROUND

In 2016 Five Year (2016-2020) Financial Plan – Capital Program Council approved a Recreation/Arts/Library facility to be located on City land at 18680 – 72 Avenue in the West Clayton neighbourhood. The Clayton Community Centre (the “Project”).

In February 2017, a Request for Expressions of Interest and Statements of Qualifications (RFEI/SOQ 1220-050-2017-001) was issued for Construction Management Services for the Project. The RFEI/SOQ was advertised on the City’s website and posted on the BC Bid Website. The RFEI/SOQ closed on March 6, 2017.

Through an evaluation process, six proponents were shortlisted and invited to submit a proposal (RFP1220-030-2017-031). All six proponents submitted a proposal for the Project, consisting, firstly, of pre-construction services, and, secondly, of general contractor services. Based on an evaluation of the proposals it was concluded that the proposal from EllisDon provided the best value to the City.

DISCUSSION

In July 2017 EllisDon was awarded an initial contract for pre-construction services for the Project, which included:

- assisting with evaluation and value-engineering the design;
- scheduling; and
- cost estimating.

EllisDon has performed these services at a satisfactory level and the contract with EllisDon is now proposed to be extended to include general contractor services for Phase I works on the Project.

Tender Process

Since January 2018 EllisDon and the architect (HCMA Architecture + Design) have been working with Turnbull Construction Project Managers and City staff to obtain quotations for the components of work related to Phase I of the Project. This work includes building excavation, utility servicing & earthworks, concrete forming, placing & finishing and structural steel & miscellaneous metals construction. A RFEOI was issued in February 2018 for the prequalification of trades and advertised on the BC Bid Website.

Quotation Process

On March 24, 2018, two packages were issued for quotations to prequalified trade contractors (under RFP 1220-030-2017-031 B) titled Tender Package #3 & Tender Package #4 and closed on April 19, 2018 & April 24, 2018.

The work of Phase I is being awarded in components with the intention of combining the lowest price bid for each component under one general contract that would then be assigned to EllisDon as the general contractor for this Project. A list of the proponents who submitted a quotation for each component of Phase I of the Project is contained in Appendix I attached to this report. The proponent providing the lowest quotation that fully met the specifications for the related work, to which the quotation pertained, is being awarded that component of work.

General Contract

As mentioned above, the lowest fully compliant quotation for each component of the Phase I work is being combined into a "stipulated price" contract that includes an allowance for general conditions and contract management fees. This stipulated price contract totals \$9,834,342.55, including GST. It is proposed that this contract be awarded to EllisDon, who will assume the risk associated with delivering the work of the contract within the stipulated price.

Additional stipulated price contracts will be awarded at a later date in relation to the remaining components of work necessary for the completion of the full Project. A similar process is being followed in relation to procurement of the related components of work.

Project Schedule

Construction of Phase 1 of the Project will commence in June 2018, with Phase 2 starting in Summer 2018 and expected completion in Summer 2020.

Funding

Funding for this Project is available within the approved budget in the Five Year Financial Plan – Capital Program.

SUSTAINABILITY CONSIDERATIONS

The City recognizes the value of creating a sustainable facility. This Project aligns with the following Desired Outcomes (DO) in the Sustainability Charter 2.0.

Built Environment and Neighbourhoods

- DO8:** The built environment enhances quality of life, happiness and well-being
- DO11:** Surrey is at the forefront of sustainable and restorative building design and technology.

CONCLUSION

Based on the above discussion, it is recommended that Council:

- Award Contract No. 1220-030-2017-031 (Phase 1) to EllisDon Corporation in the amount of \$9,834,342.55, including GST, for the Phase 1 Construction scopes;
- Set the expenditure authorization limit for Contract No. 1220-030-2017-031 (Phase 1) at \$10,000,000.00, including GST and contingency; and
- Authorize the General Manager, Planning & Development, or his designate, to execute Contract No. 1220-030-2017-031 (Phase 1) and related change orders.

Original signed by
Jean Lamontagne
General Manager, Planning & Development

JLL/SG/ar

Appendix “I” Results of the Request for Quotations Process

**Clayton Community Centre
Results of the Request for Quotations Process
(Only the lowest three complete and compliant bids are listed)**

1. **Concrete Forming, Placing & Finishing: (3 contractors provided bids – prices exclude GST)**

Mardina Construction Ltd.	\$2,034,000.00
Anchor West Forming Ltd.	\$2,145,000.00
Contech Construction Ltd.	\$2,780,650.00

2. **Building Excavation, Utility Servicing & Earthworks: (4 contractors provided bids – prices exclude GST)**

Wilco Civil Inc.	\$2,871,905.00
Tybo Contracting Ltd.	\$2,952,893.00
B&B Contracting (2012) Ltd.	\$3,337,730.00

3. **Structural Steel & Miscellaneous Metals: (4 contractors provided bid – prices exclude GST)**

Lantech Fabricating Ltd.	\$1,950,072.91
Impact Ironworks Ltd.	\$2,410,000.00
Solid Rock Steel Fabricating Co. Ltd.	\$2,432,711.00

Sub-total (items 1 - 3 above)	\$ 6,855,977.91
Subguard Insurance (\$10/\$1000)	\$ 68,559.78
General Conditions	\$ 1,919,485.82
Contract Management Fees	\$ 130,263.58
Total Value	\$ 8,974,287.09
Previously awarded (demolition, tree clearing, pre-con services)	<u>\$ 391,753.43</u>
Total Revised Contract Value (excluding applicable taxes)	\$ 9,366,040.52
GST (5%)	<u>\$ 468,302.03</u>
Total Contract Value (including GST)	\$ 9,834,342.55