



Corporate Report

NO: R252

COUNCIL DATE: December 8,

2003

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **December 3, 2003**

FROM: **General Manager, Engineering** FILE: **1203-513/11**

SUBJECT: **Contract Award M.S. 1203-513**

RECOMMENDATION

That Contract M.S. 1203-513 be awarded to Field Drilling Contractors Ltd., in the amount of \$836,521.29, including GST.

SCOPE OF WORK

As reported to Council on November 3, 2003, a public tender was prepared and advertised for the drilling and testing of several production and test wells throughout North and South Surrey.

The drilling contractor will drill, develop and test 11 wells with a goal to provide the City with water supply wells of acceptable water quality, and of adequate and sustainable yields to meet municipal needs.

Drilling is expected to start as soon as possible, with the full drilling program completed within the estimated seven (7) month time period.

TENDER RESULTS

Tenders for Contract M.S. 1203-513 were received on December 2, 2003, with the following results:

Price, Including GST	Contractor	Total Tender
Submitted	As Corrected	As

1. Field Drilling Contractors Ltd.	\$836,521.29	No change

The Engineer's pre-tender estimate was \$854,175, including GST.

EVALUATION

The tender submitted by Field Drilling Contractors Ltd. was checked for legal and mathematical errors. Although only one contractor submitted a bid, the submitted tender price is competitive. We compared the unit prices in the tender against those received in 2002 for the Newton Well Drilling Project awarded to Field Drilling, and the Sunnyside Well Rehabilitation Project, 2000 prices, submitted by others. Unit prices for both projects were found to be very similar. The tender price was also evaluated using the B.C. Groundwater Association Suggested Minimum Rate Guide for Water Well Drilling in B.C., 2002 as a base. The total tender price is slightly less than the 2002 rate guide.

Several background checks were made, and everyone contacted were satisfied with Field Drilling's performance. Field Drilling also performed well on the City's drilling project in the past.

Field Drilling Contractors Ltd. is a local firm located in Aldergrove. They own several of the drill rigs specified for this job and have indicated they can complete the project on time. There are only two other known drilling companies in B.C. that could complete this type of contract. They were represented at the pre-tender meeting but elected not to bid the job. Commitments with other clients seem to be a factor in making this decision.

In summary, it is recommended that the tender submitted by Field Drilling Contractors Ltd. be accepted for Contract M.S. 1203-513.

FUNDING

Funding details are:

Total funding required for project	\$1,059,000.
Available funding	<u>\$1,200,000.</u>
Return to Water Budget	\$ 141,000.

Paul Ham, P. Eng.
General Manager, Engineering

VL/JLU:brb

c.c. - General Manager, Finance, Technology & HR

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