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# Corporate Report

NO: R038

COUNCIL DATE: February 23,

2004

**REGULAR COUNCIL** 

TO: DATE: February 11, 2004

Council

FROM: General Manager, PROJECT 1204-001/11

**Engineering** FILE:

SUBJECT: Contract Award M.S. 1204-001 - Sandpiper

Contracting Ltd.

### RECOMMENDATION

That Contract M.S. 1204-001 be awarded to the low bidder, Sandpiper Contracting Ltd., in the amount of \$1,342,716.25 including GST.

## SCOPE OF WORK

Contract M.S. 1204-001 is for construction of a 400mm diameter water main and associated work on King George Highway, from 72 Avenue to 80 Avenue in advance of the arterial pavement rehabilitation project.

Construction is expected to start March 1 and be completed by May 5, weather permitting.

#### TENDER RESULTS

Tenders for this contract were received on February 4, 2004, with the results as follows:

| Contractor                   | Tender Amount Announced at Opening With GST  | Corrected<br>Tender Amount<br>With GST   |
|------------------------------|--|--|
| Sandpiper Contracting Ltd.   | \$1,342,716.25   | No Change  |
| LUPS Contractors Ltd.        | 1,507,068.79   | \$1,517,768.79   |
| B. Cusano Contracting Inc.   | 1,695,950.00   | No Change  |
| Ponte Bros. Contracting Ltd. | 1,760,210.99   | \$1,804,294.99   |
| TAG Construction Ltd.        | 1,915,835.00   | No Change  |
|                              | Sandpiper Contracting Ltd. LUPS Contractors Ltd. B. Cusano Contracting Inc. Ponte Bros. Contracting Ltd. | Contractor  Announced at Opening With GST  Sandpiper Contracting Ltd. \$1,342,716.25  LUPS Contractors Ltd. 1,507,068.79  B. Cusano Contracting Inc. 1,695,950.00  Ponte Bros. Contracting Ltd. 1,760,210.99 |

The Engineer's pre-tender estimate was \$1,502,000, including GST.

## **EVALUATION**

All tenders were checked for legal and mathematical errors. Minor mathematical errors were found in LUPS Contractors Ltd. and Ponte Bros. Contracting Ltd.'s tenders. The corrected amounts are indicated above.

The low bidder, Sandpiper Contracting Ltd., has satisfactorily completed similar work for the City in the past. We recommend Sandpiper Contracting Ltd. be awarded this contract.

#### **FUNDING**

Funding is available within the approved utility budget. However, a portion of the works is being pre-financed through borrowing from the legacy fund, as previously approved by Council. This pre-financing of an additional length of water main will allow more road works to go ahead in 2004; any pre-financing will be paid back after 2005.

The contract award authority and tender results summary still includes GST as the legislation to eliminate the GST for municipalities is yet to be put into effect. However, our understanding is that the current net 3% GST will not be payable on this contract; this represents a saving of \$40,000.

Total Funding Required \$1,500,000 Total Funding Available 1,500,000

> Paul Ham, P. Eng. General Manager, Engineering

#### PH/VL/RS:brb

- c.c. Sig Bernat, Engineering Dept.
  - Manuel Uy, Finance, Technology & HR Dept.

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