



Corporate Report

NO: R098

COUNCIL DATE: May 2, 2005

REGULAR COUNCIL

TO: Mayor & Council DATE: April 27, 2005

FROM: General Manager,
Engineering FILE: 4703-118/11

SUBJECT: Contract Award M.S. 4703-118/11, Merletti
Construction (1999) Ltd.

RECOMMENDATION

That Contract M.S. 4703-118/11 be awarded to the low bidder, Merletti Construction (1999) Ltd. in the amount of \$796,274.74 including GST.

SCOPE OF WORK

This is the first phase of a longer term wet well replacement and pump station rehabilitation program that will eventually replace the steel wet wells at six sanitary pump stations and rehabilitation/replace pumps and equipment as necessary. The existing steel tanks are nearing the end of their lives with portions of the metal wall thickness being reduced due to wear and corrosion.

The work in this contract involves the replacement of wet wells at West Newton Pump Station (6900 block of 122 Street) and Bear Creek Pump Station (79 Avenue and 140 Street). In addition upgrades will be carried out at Bear Creek Pump Station on the pumps, electrical components, overflow protection and flow control features.

The chosen replacement means is an insertion of fibreglass tank inside each of the existing steel tanks. This process will avoid costs and risks associated with the excavation of new wet well locations. As well, the new fibreglass tanks will provide for a much longer life with less maintenance demands, than that provided by the steel tanks.

TENDER RESULTS

Tenders for Contract 4703-118/11 were received on April 13, 2005 with the results as follows:

Total Tender Price, including GST

Contractor	As Submitted	As Corrected
1. Merletti Construction (1999) Ltd.	\$796,274.74	No Change
2. Kedco Constructors Ltd.	\$805,871.00	Disqualified
3. Westport Construction Group Inc.	\$891,310.00	No Change
4. Trittech Group Ltd.	\$893,450.00	No Change

The Engineer's pre-tender estimate was \$600,000, including GST.

EVALUATION

The tendered prices are substantially higher than the Consultant Engineer's estimate. The higher prices are due to the difficulty in estimating the costs for this type of specialized tank replacement and pump rehabilitation work, and also, are a result of the tight construction market conditions in the Lower Mainland.

All tenders were checked for legal and mathematical errors. The Surety's Consent form submitted by the second low tender, Kedco Construction Ltd., stated a tender acceptance period of 14 days from the date of the tender opening (April 13, 2005) instead of the 60 days as specified in the Tender Documents. Because this discrepancy is not in compliance with the tender requirements, their tender was disqualified from further consideration.

The remaining 3 tenders were found to be mathematically correct.

The low tenderer, Merletti Construction (1999) Ltd. has satisfactory completed pump station work with the City and with other Lower Mainland municipalities.

FUNDING

Funding is available within the approved Sewer Utility budget for this project.

Paul Ham, P.Eng.
General Manager, Engineering

PH/RNA:ajs/rdd

- c.c. - General Manager, Finance, HR & Technology
- Manager, Operations
- Manager, Utilities & Transportation