

RECOMMENDATIONS

- 1. That Contract M.S. 4802-002-41 be awarded to the low bidder, Delta Aggregates Ltd., in the amount of \$2,821,847.60, including GST.
- 2. That Contract M.S. 4802-002-41 be awarded as two phases, with Phase I to cover major dyke construction work that will be completed in 2005, and Phase II to cover winter minor dyke and stockpile work that will end May 2006.

SCOPE OF WORK

Package D02/02 consists of constructing dykes to their final elevation along the Serpentine River from 88 Avenue to 56 Avenue, as shown on the attached map.

These works are the components of the Serpentine-Nicomekl Flood Control Project. Contractors from the Councilapproved pre-qualified tenderers for Lowland Dyke Construction were invited to submit tenders for this package. The work will reduce the frequency and duration of flooding experienced by the adjoining areas.

This work is expected to start by mid-June and be completed by May 31, 2006.

TENDER RESULTS

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Tenders for the above contract were received on May 25, 2005, with the results as follows:

Contractor	Tendered Amount with GST	Corrected Amount
1. Delta Aggregates Ltd.	\$2,821,847.60	No Change

2. Double M Excavating Ltd.	\$3,175,388.15	\$3,175,389.78
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The Engineer's pre-tender estimate was \$2,500,000 including GST.

EVALUATION

Our consultant reviewed the tenders for legal and mathematical errors, and identified only a minor mathematical extension by Double M Excavating Ltd. The error did not alter the tender results and Delta Aggregates Ltd. is still the low bidder.

The pre-tender estimate was based on 2003 and 2004 average tendered prices. The higher tendered prices are the result of higher fuel costs and an increase in difficulty of the work. Under this contract, about 50% of the dykes is at the final stage, at which the contractor has to work within a 4.0-metre wide space. This is compounded by long hauling distance to reach some of the locations.

Delta Aggregates Ltd. has no outstanding claims or legal issues with the City and their past performance with the City on similar work has been excellent.

FUNDING

Funding is available within the approved Engineering budget.

Paul Ham, P. Eng. General Manager, Engineering

VL/TH/rdd/brb Attachment

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

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