



Corporate Report

NO: R107

COUNCIL DATE: May 29, 2006

REGULAR COUNCIL

TO: Mayor and Council DATE: May 26, 2006
FROM: Acting General Manager, Planning and Development FILE: 0760-20
Fire Chief, Surrey Fire Department (Fire Hall #10)
SUBJECT: Award of Contract for the Construction of the New Fire Hall #10

RECOMMENDATION

It is recommended that Council:

1. Approve an increase in the budget for the construction of Fire Hall #10 from \$4.0 million to \$4.7 million, with the additional funding being drawn from Fire Department Savings set aside in 2005 for future Fire Department capital projects; and
2. Award a contract to Dominion Fairmile Construction Ltd. at a base price of \$3,833,854.47 plus GST, for the construction of the new Fire Hall #10.

PURPOSE

The purpose of this report is to obtain Council approval to award the contract to Dominion Fairmile Construction Ltd. for the proposed new Fire Hall #10 to be located at 7278 – 132 Street and to increase the project budget by \$700,000 to accommodate an increase in site servicing costs and construction cost escalation.

DISCUSSION

Fire Hall #10, in its present location, is a 45-year old facility that has outlived its effectiveness, both in terms of strategic location and building condition. Emergency responses are restricted because of traffic patterns, the close proximity to a major intersection and the railway tracks bisecting the response area. The proposed location will provide the essential emergency response coverage for the current and projected growth in the Newton area.

Council approved funding of \$4.0 million in the 2006 Capital Budget for this project; however, based on the construction prices that have been received for the various components of the building and servicing the project will cost \$4.7 million to complete, an increase of \$700,000 over the currently approved budget. This increase is a result of overall general construction cost increases and unforeseen costs associated with servicing

difficulties on the selected site. The additional funding of \$700,000 is available from Fire Department savings set aside in 2005 for future capital projects.

Although the current Fire Hall building near the intersection of 72 Avenue and King George Highway has very little value in terms of resale, the property had an estimated value of \$675,000 when assessed in 2004 and the City's Realty Services Division now estimates the value of the land at just over \$1,000,000.

The project is being awarded under the modified construction management approach that was successfully used in three of the City's latest completed projects: the Fraser Heights Recreation Centre, the South Surrey Recreation Centre and the City Hall West Wing addition.

A consultant team commenced a site assessment in December 2005. It became very clear that the new site will require extensive preparation to allow construction of the new Fire Hall #10. The site elevation is lower than the existing storm and sewer line elevations and the entire site has to be raised. A quantity surveyor, James Bush and Associates, was hired to develop a preliminary budget, taking into consideration the difficult site condition. In a report dated January 6, 2006, James Bush and Associates estimated that total building construction cost would be approximately \$4,097,000. The very difficult site condition has added approximately \$400,000 in new costs.

Under a Statements of Qualifications process (SOQ 1220-50-08-04), the City pre-qualified the following eight companies for the Construction Management at Risk program:

- Ledcor Construction
- Omicron Construction
- Dominion Fairmile Construction
- Stuart Olson Construction
- Pax Construction
- Unitech Construction
- DGS Construction
- Titan Construction

These eight companies were invited to participate in the Fire Hall #10 Construction Manager selection process. A mandatory briefing was attended by four of the invitees – Ledcor, Dominion, Titan and Pax, while the four others declined due to the number of current projects to which they were already committed.

A competitive process followed under RFP 1220-30-42-05 which closed on January 12, 2006. The City Selection Team composed of representatives from the Project Architect, Design and Construction, Building Division, Parks, Recreation and Culture, Purchasing and the Fire Department evaluated the proposals using the same criteria as those previously applied in the selection of the teams for the Fraser Heights Recreation Centre, South Surrey Recreation Centre and City Hall West Wing addition. Dominion Fairmile Construction Ltd. was chosen to work with the team of consultants led by the Project Architect, Bernard Perreten, during the design phase of the project, to

provide valuable input on the constructability of the project, as well as to do preliminary cost estimates to keep the budget within target.

Once the project design was completed, Dominion Fairmile Construction Ltd., in collaboration with City staff and the Project Architect, tendered the project by components, which included 34 different components.

For each component, City staff, the Project Architect and Dominion Fairmile Construction Ltd. reviewed the quotes. The lowest quotes have then been assembled and summed to establish the basic lump sum contract price and a 4.5% percent adjustment has been added to the basic lump sum price in accordance with the original proposal from Dominion Fairmile Construction Ltd., to cover the fixed percentage fee as outlined in the RFP document. Also added, was the fixed “general conditions” price. The total construction contract value, based on the above, comes to \$3,833,854.47 (Appendix I). This amount is within the estimated cost of construction of \$4,097,000 provided by the quantity surveyor, James Bush and Associates, in their January 6, 2006 report.

To account for consultant fees, equipment, furniture and fixtures, construction contingency and some other more minor items an additional \$700,000 is required to complete the project (Appendix II).

Legal Services has reviewed the approach that is discussed in this report, relative to construction management and project tendering and is satisfied that it complies with all relevant legal requirements.

To justify the additional funding request, the following options have been considered:

A. Do not Construct the new Fire Hall at this time

Advantages:

- Eliminates need to deal with budget shortfall.

Disadvantages:

- Present location adds to emergency response times.
- Heavy traffic congestion limits access and egress.
- Existing facilities not up to par with other halls and not acceptable for on-going use.
- Not a post-disaster facility.
- Location not strategically located for future growth.

B. Renovate Existing Fire Hall #10

Advantages:

- Lower absolute capital cost for the renovation estimated at \$1.0 million.

Disadvantages:

- Present location adds to emergency response times.
- Heavy traffic congestion limits access and egress.

- Not a post-disaster facility.
- Location not strategically located for future growth.
- Buildings life expectancy estimated at only 5-10 years after renovation completed.

C. Proceed with the New Fire Hall #10

Advantages:

- Central location improves emergency response times.
- No access restrictions.
- Post-disaster facility with command centre capability.
- Design work already completed and project ready to proceed without delay.
- On site training facility.
- As construction cost escalation is forecast to continue, delay in construction start will continue to add to the ultimate cost of the project, which will be inevitable at some point.

Disadvantages:

- Overrun in budget but funding is available using prior year's savings.

CONCLUSION

Based on the above, it is recommended that Council approve an increase in the project budget for new Fire Hall #10 from \$4.0 million to \$4.7 million and award the construction contract to Dominion Fairmile Construction Ltd. at a base price of \$3,833,854.47 plus GST.

How Yin Leung
Acting General Manager,
Planning and Development



Len Garis
Fire Chief,
Surrey Fire Department

DGT:saw

List of Trades Tender result (Revised May 18, 2006 to include cost savings*)

1.0	Earthworks	
1.	270,000.00 – TAG	270,000.00
2.	4,000.00 – TAG (Silt Control)	4,000.00
3.	480,557.00 – Delta Aggregates	
4.	644,000.00 – Lorjack (includes site services)	
		Subtotal: 274,000.00
2.0	Site Services	
1.	117,000.00 – Kenco	117,000.00
2.	146,000.00 – TAG	
3.	644,000.00 – Lorjack	
		Subtotal: 117,000.00
3.0	Asphalt Paving, Curbs, Sidewalks	
1.	61,605.00 – J. Cewe	61,605.00
2.	68,315.00 – Winvan Paving	
3.	70,234.50 – Imperial Paving	
4.	72,305.00 – Custom Blacktop	
5.	82,983.00 – AC Paving	
		Subtotal: 61,605.00
4.0	Chain Link Fence	
1.	19,884.00 – Blue Pine	19,884.00
2.	22,740.00 – Sterling Fence	
3.	23,626.00 – Steelguard	
		Subtotal: 19,884.00
5.0	Landscaping	
1.	41,520.00 – Dinesen Landscaping	41,520.00
	Accepted Cost Savings – Dinesen delete 1 year landscape maintenance	<3,700.00>
2.	38,500.00 – West Coast Pacific Landscaping	
3.	52,260.00 – Blue Pine Enterprises	
4.	60,000.00 – Maplewood Landscaping	
5.	61,360.00 – Beaver Landscape	
		Subtotal: 37,820.00
6.0	Concrete Formwork	
1.	305,921.00 – Dominion Fairmile Construction	305,921.00
2.	319,000.00 – Acora Construction	
3.	No Bid – Reid Taylor	
4.	No Bid – Baymar	
5.	No Bid – Avante	
6.	No Bid – Contech	
		Subtotal: 305,921.00
7.0	Reinforcing Steel	
1.	96,458.00 – G&M Steel	96,458.00
2.	158,300.00 – Harris Rebar	
3.	No Bid – Heritage Steel	
4.	No Bid - Mid-Valley	
5.	No Bid – Blue Steel	
		Subtotal: 96,458.00

8.0	Masonry	
	1. 334,145.00 – Sun Valley Masonry (Alternate Price)	334,145.00
	Accepted Cost Savings – Sun Valley Delete Block Fill (only 0.5R Value)	<9,420.00>
	2. 388,800.00 – Empire Masonry	
	2. 399,876.00 – Gracom Masonry	
	3. 468,000.00 – Gima Masonry	
	4. 482,700.00 – CTS Masonry	
	5. 588,000.00 – Star Masonry	
		Subtotal: 324,750
9.0	Structural/Misc. Steel/Metal Deck/Comfloor	
	1. 225,550.00 – Bar None (Excludes Comfloor & Deck)	
	2. 269,900.00 – Marsh Steel (Excludes Comfloor & Deck)	
	3. 309,425.00 – PMC Builders (includes metal deck& Comfloor)	309,425.00
	4. 325,049.00 – Continental	
	5. 354,773.00 – Solid Rock	
	6. 360,311.00 – Acorn	
	7. 427,500.00 – Sonic Steel	
		Subtotal: 309,425.00
10.0	Metal Deck & Comfloor	Included in Structural
	1. 101,557.00 – Flynn	
	2. 213,250.00 – Rite-way Metals	
11.0	Millwork	
	1. 64,402.00 – Contemporary Millwork	64,402.00
	2. 16,176.06 – Contemporary Millwork (SS Countertop & AWMAC)	16,176.06
	Accepted Cost Savings – Contemporary Delete AWMAC Warranty	<1,932.06>
	3. 89,832.00 – Towne Millwork	
	4. 101,195.00 – Benchmark	
		Subtotal: 78,646.00
12.0	Sprayed Fireproofing	
	1. Cash Allowance – Sprayed Fireproofing	15,000.00
		Subtotal: 15,000.00
13.0	Roofing	
	1. 147,307.72 – Metro Roofing	147,307.72
	10,000 - Metro Roofing – Roof Pavers	10,000.00
	Accepted Cost Savings – Metro R20 in lieu of R40 & Alternate Roof	<42,191.59>
	Accepted Cost Savings – Metro Credit to delete 5yr RCABC Warranty	<3,500.00>
	2. 178,214.00 – Flynn	
	3. 160,535.00 – Transwest (incomplete)	
	4. No bid – Continental	
	5. No bid – Marine	
		Subtotal: 111,616.13
14.0	Roof Hatches	
	1. 784.70 – Maxam	784.70
	2. 920.00 – Shanahan’s	
		Subtotal: 784.70

15.0	Doors/Frames/Hardware		
	1.	38,729.64 – Allmar	38,729.64
	2.	45,157.00 – Shanahan’s	
	3.	51,180.00 – CP Distributors	
	4.	No bid – McGregor & Thompson	
			Subtotal: 38,729.64
16.0	Glazing		
	1.	45,117.00 – Vision West	45,117.00
		Accepted Cost Savings – Vision West Delete B3 Water Tightness Std.	<3,548.00>
	2.	72,780.00 – Columbia Glazing	
	3.	128,700.00 – Prestige Glass	
	4.	No bid – Lynnmour	
	5.	No bid – Glastech	
			Subtotal: 41,569.00
17.0	Overhead Doors		
	1.	35,336.00 – Overhead Door Co.	35,336.00
	2.	35,790.93 – Val-Mart	
	3.	37,920.00 – Creative Door	
	4.	48,477.00 – Shanahan’s	
	5.	No bid – Ideal	
			Subtotal: 35,336.00
18.0	Steel Stud/Drywall		
	1.	89,300.00 – Robertson	89,300.00
	2.	99,870.00 – Marathon	
	3.	150,700.00 – Winwood Construction (includes Comfloor)	
	4.	175,000.00 – Phoenix Lath & Plaster (includes Comfloor)	
	5.	181,955.00 – Go West Drywall (includes Comfloor)	
			Subtotal: 89,300.00
19.0	Tile		
	1.	14,002.00 – Artistic Tile	14,002.00
	2.	14,213.00 – Modern Tile	
	3.	17,500.00 – National Tile	
	4.	20,115.00 – Greystone	
			Subtotal: 14,002.00
20.0	Flooring		
	1.	43,929.00 – Benefit	
	2.	47,998.00 – DL Watts	
	3.	53,900.00 – ConceptOne	
	4.	56,500.00 – Maxwell Floors	56,500.00
		Accepted Cost Savings – Maxwell Use Tarkett & 4” Rubber Base	<20,000.00>
		Accepted Cost Savings – Maxwell Use Armstrong & 4” Rubber Base	<1,500.00>
	5.	59,750.00 – Fast-Track	
	6.	62,985.00 – Sundance	
			Subtotal: 35,000.00
21.0	Painting		
	1.	26,925.00 – Oak Painting	26,925.00
		Oak Painting - Elastomeric Coating on Block	24,000.00
		Accepted Cost Savings – Oak Painting Delete 2 Year Painting Bond	<2,475.00>
	2.	57,125.00 – Phoenix Spray	
	3.	76,913.00 – Velvet	
	4.	67,775.00 – Picasso Painting	
	5.	66,045.00 – Westcan	
	6.	86,400.00 – M&L Painting	
			Subtotal: 48,450.00

22.0	Toilet Partitions & Shower Compartments	
	1. 10,085.00 – Shanahan’s	10,085.00
	2. No bid – Allmar	
	3. No bid – Hovik	
	4. No bid – CP Distributors	
	5. No bid – McGregor & Thompson	
		Subtotal: 10,085.00
23.0	Washroom Accessories	
	1. 3,486.00 – Shanahan’s	3,486.00
	2. 5,590.75 - Allmar	
	3. No bid – Hovik	
	4. No bid – CP Distributors	
	5. No bid – McGregor & Thompson	
		Subtotal: 3,486.00
24.0	Lockers	
	1. 20,815.00 – Hovik	20,815.00
	2. 35,158.00 – Shanahan’s	
		Subtotal: 20,815.00
5.0	Wall Guards	
	1. 1,800.00 – Shanahan’s	1,800.00
		Subtotal: 1,800.00
26.0	Flag Pole	
	2. 905.00– Shanahan’s	905.00
	3. 1,385.65 – Allmar	
	4. No bid – Hovik	
	5. No bid – CP Distributors	
	6. No bid – McGregor & Thompson	
		Subtotal: 905.00
27.0	Whiteboards/Tackboards	
	1. 812.00 – Shanahan’s	812.00
	2. 1,877.85 – Allmar	
	3. No bid – Hovik	
	4. No bid – CP Distributors	
	5. No bid – McGregor & Thompson	
		Subtotal: 812.00
28.0	Gear Room Ready Racks	
	1. 7,870 – Rocky Mountain Phoenix	7,870.00
		Subtotal: 7,870.00
29.0	Hose Station Hoist	
	1. 3,500 – Atlas Anchors	3,500.00
		Subtotal: 3,500.00
30.0	Mechanical - HVAC	
	1. 225,000.00 – Hytek	
	2. 223,721.00 – Black and McDonald	223,721.00
	3. 241,280.00 – Fraser Valley Refrigeration	
		Subtotal: 223,721.00

31.0	Mechanical - Plumbing	
1.	175,000.00 – Galaxy	175,000.00
	Galaxy – add gas piping to rooftop units and gas meter	35,000.00
	Cash Allowance – Hose wash unit	500.00
	Cash Allowance – Truck wash unit (supplied by SFD)	300.00
2.	253,000.00 – Hytek	
3.	276,279.00 – Black and McDonald	
	Subtotal:	210,800.00
32.0	Fire Protection	
1.	Cash Allowance – Sprinkler Fire Protection	27,930.00
	Subtotal:	27,930.00
33.0	Storm, Sanitary & Water Connections - Utilities	
a.	Cash Allowance – Storm, Gas, Sanitary & Water Connection	15,000.00
	Subtotal:	15,000.00
34.0	Electrical	
1.	280,374.00 – K&C Electric	280,374.00
2.	Cash Allowance – Alternative Light Fixture	<4,000.00>
3.	Cash Allowance – Hydro Connection Fees	20,000.00
2.	292,700.00 – Mustang Contracting	
3.	317,383.00 – Westrade	
4.	356,000.00 – Canem	
	Subtotal:	296,374.00
	Sub Trades Total	2,878,369.47
35.0	General Contractor Prices	
1.	Div 01: Insurance, (Excludes Bonds) & Security	24,726.03
2.	Div 02: Site Preparation and Detail Excavation and Backfill	68,501.86
3.	Div 03: Concrete Supply	115,811.27
4.	Div 03: Misc. Concrete Work, Concrete Supply, Outdoors Slabs	99,716.06
5.	Div 04: Misc Masonry Requirements, Dowels, Bracing	30,764.50
6.	Div 05: Misc. Misc. Metals Requirements	10,851.68
7.	Div 06: Carpentry	27,797.66
8.	Div 07: Fire Stopping, Damproofing	33,221.65
9.	Div 08: Door/Frame/Hardware Installation	12,480.90
10.	Div 09: Metal Soffits	3,255.50
11.	Div 10: Specialties (Installation, Fire Pole & Shower Benches)	20,210.16
12.	Div 15: Misc Mechanical, Civil, Siamese, Standpipe, DCV	69,287.96
13.	Div 16: Electrical Ductbank, Civil	11,112.12
14.	Miscellaneous Subtrade Cash Allowance	10,851.68
	General Contractor Prices Subtotal	538,589.04
	Subtotal:	3,416,958.51
	Add: Fixed General Conditions	253,622.00
	Add: 4.5 % Fixed Percentage Fee	163,273.96
	Contract Amount:	3,833,854.47

Summary of Proposed Costs

Consultant fees	\$ 389,243.00
Construction Contract	3,833,854.47
DCC/Permits, site clearing, asbestos abatement, others	102,000.00
Furniture and fixtures, equipment, moving, miscellaneous	118,359.53
Construction contingency (5%)	202,793.00
Others: Commissioning, administration, public art (1.25% of building Construction costs)	53,750.00
Total:	<hr/> \$ 4,700,000.00