

Corporate Report

NO: <u>R242</u>

COUNCIL DATE: NOVEMBER 19, 2007

REGULAR COUNCIL

TO: Mayor & Council DATE: November 16, 2007

FROM: General Manager, Engineering PROJECT FILE: 1706-017

SUBJECT: 156 Street/Highway 1 Underpass Access Improvement for Fraser Heights

RECOMMENDATION

The Engineering Department recommends that Council:

- 1. Award contract M.S. 1706-017-11/02 to BA Blacktop Ltd. in the amount of \$17,460,296.37 including 6% GST;
- 2. Set the expenditure authorization limit for contract M.S. 1706-017-11/02 at \$18,285,000.00 including GST;
- 3. Authorize staff to exercise the option under Planning & Design/Build Procurement Agreement M.S. 1706-017C to enter into an Agreement with Trillium Business Strategies Inc. for construction management, in the amount of \$286,200.00, including 6% GST; and
- 4. Set the expenditure authorization limit for Agreement M.S. 1706-017C at \$320,000.00, including GST.

INTENT

We recommend that BA Blacktop Ltd. be engaged to design and construct the 156 Street/Highway 1 Underpass, and that Trillium Business Strategies Inc. be engaged to provide project management and owner's engineer services.

BACKGROUND

The City of Surrey and the B.C. Ministry of Transportation have entered into a partnership to improve access for the Fraser Heights community by means of constructing an underpass of Highway No. 1 at 156 Street. This location was chosen as the optimal location following a joint study, which examined options at 152 Street, 156 Street and 160 Street. It also includes coordination with the Fraser Gateway Program plans for the widening of Highway 1.

The underpass project is being delivered by the City of Surrey on behalf of the partnership, with the project cost-shared 60% by the Ministry, and 40% by the City. The construction is scheduled to start in March 2008, and be completed by February 2009.

Surrey and the Ministry chose Design/Build as the preferred project delivery methodology for the underpass. This, compared to the more conventional Design/Bid/Build delivery process, has the advantage of more potential for innovation in design, cost and timesavings during construction.

The first step was to issue requests for submission of credentials from competing teams, which included both the design engineers and the construction contractors. Credentials were received from six teams. These teams were evaluated and then short-listed to three teams, which were invited to prepare a detailed design and price proposal. Proposals from the selected teams were received with the following price results:

Bilfinger Berger (Canada) Ltd. \$29,439,100.48 + GST B&B Contracting Ltd. \$16,966,600.00 + GST BA Blacktop Ltd. \$16,471,977.71 + GST

The proposals were evaluated by an independent team of technical specialists. The BA Blacktop Ltd. team offered the lowest price to design and construct the project, the proposal was deemed to offer innovative benefits in the structural design, geometric layout of the facility which could potentially offer additional flexibility and higher standard of future Gateway Program works.

BA Blacktop Ltd. has the best plan for Highway 1 traffic accommodation and control during construction, and has the earliest proposed completion date of February 2009.

The BA Blacktop Ltd. team includes the firms of Buckland & Taylor Ltd. for bridge design, McElhanney Engineering Services Ltd. for highway design, Trow Associates Inc. for geotechnical engineering, and Coquitlam Ridge Construction Ltd. for bridge construction.

At the initiation stage of the project Trillium Business Strategies Inc. were retained to provide project management and owner's engineer services for the planning and procurement phases of the project. In the Agreement there was the option to include these services through the construction phase of the project, subject to satisfactory performance during the first two phases.

Services provided by Trillium Business Strategies Inc. have been satisfactory to date, for continuity and benefit of the project knowledge base developed to this time, extension of the Agreement is recommended.

When the detailed design is substantially completed (in February 2008), a public open house will be held to present the design, and to discuss the project with the fronting property owners and any other interested residents in the area. Public comments and issues will be considered in design finalization.

The attached graphic shows the location of the new underpass.

CONCLUSION

The Design/Build procurement process for the 156 Street/Highway No. 1 Underpass project has resulted in the City of Surrey/Ministry of Transportation partnership receiving a lowest price proposal which also offers benefits in design innovation, traffic management during construction, future flexibility and shortest delivery time, and award of the contract to BA Blacktop Ltd. in the amount of \$17,460,296.37, including GST is recommended. Funding of the City's 40% share is available within the approved Engineering Budget. The Ministry of Transportation, through the North Surrey Interchanges Project Agreement with Surrey, is committed to fund the remaining 60% of the project.

Trillium Business Strategies Inc. has provided project management and owner's engineer services through the planning and procurement phases of the project, and it is recommended that the option within their Agreement be exercised to extend these services through the construction phase.

Paul Ham, P.Eng. General Manager, Engineering

VL/KDZ/kd2/rdd Attachment

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