



# Corporate Report

NO: R138

COUNCIL DATE: July 28, 2008

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## REGULAR COUNCIL

TO: **Mayor & Council** DATE: **July 22, 2008**  
FROM: **General Manager, Engineering** PROJECT FILE: **1708-010/11**  
SUBJECT: **Contract Award - M.S. 1708-010-11,  
Pavement Crack Sealing on Local Roads**

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## RECOMMENDATIONS

The Engineering Department recommends that Council:

1. Award Contract M.S. 1708-010-11 to Sealtec Industries Ltd. in the amount of \$292,824.00 (including 5% GST); and
2. Set the expenditure authorization for Contract M.S. 1708-010-11 at \$380,000.00 (including 5% GST).

## SCOPE OF WORK

This contract consists of local road crack sealing at various locations throughout Surrey. The attached maps (Appendix I) outline the many roads that are to be subject to crack sealing under the contract.

This contract is the second significant contract being funded in 2008 under the new Local Roads and Traffic Safety levy, with 722 lane kilometers being identified for sealing, which amounts to approximately 1/3 of the City's local road inventory. The road segments have been selected with the information provided through the City's Pavement Management System. Crack sealing is a cost effective means by which to extend the useful life of paved surfaces and delay more costly overlays or reconstruction.

The work is expected to start August 11 and be completed by October 22, 2008.

## TENDER RESULTS

Tenders for Contract M.S. 1708-010-11 were received up to July 15, 2008, as follows:

<i>Contractor</i>	<i>Tendered Amount with GST</i>
1. Sealtec Industries Ltd.	\$292,824
2. Roaron Construction Ltd.	\$397,488

The Engineer's pre-tender estimate was \$448,000 (including 5% GST).

## EVALUATION

The City's consultant reviewed the tenders for accuracy and completeness. No errors were found. Both submissions included the required security, and were signed and sealed on the Tender Form and Summary Sheet of the Schedule of Quantities and Prices.

The low bidder, Sealtec Industries Ltd., has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond, and agreed to complete the work within 50 working days as stipulated in the contract. Sealtec's past performance on similar work has been satisfactory and they have no outstanding legal claims against the City.

It is recommended that Sealtec Industries Ltd. be awarded Contract M.S. 1708-010-11.

## FUNDING

Funding for this contract is available in the approved Engineering budget derived through the Local Roads and Traffic Safety levy.

The exact lineal crack measurements will be confirmed during the course of construction but are estimated to be within 30% of the tendered quantity. The expenditure authorization is set at 30% above the tender to allow for potential variances between the estimated length of crack sealing and the actual length found necessary when the work is completed.

Vincent Lalonde, P.Eng.  
General Manager, Engineering

VL/KZ/RB:brb:kd

Appendix I – Local Road Crack Seal Program 2008

# **APPENDIX I**

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## **Local Road Crack Seal Program 2008**

**Surrey – North  
Surrey – Central  
Surrey - South**