

# CORPORATE REPORT

NO: R065 COUNCIL DATE: April 12, 2010

#### REGULAR COUNCIL

TO: Mayor & Council DATE: April 7, 2010

FROM: General Manager, Engineering FILE: 4810-001/21

SUBJECT: Award of Contract - M.S. 4810-001-21

Dyke Improvement Works along the Nicomekl and Serpentine Rivers

## RECOMMENDATIONS

The Engineering Department recommends that Council:

- Award Contract M.S. 4810-001-21 for dyke improvement works along the Nicomekl and Serpentine Rivers to Delta Aggregates Ltd. in the amount of \$2,258,640.99, including GST; and
- 2. Set the expenditure authorization limit for Contract M.S. 4810-001-21 at \$2,550,000 including contingency and GST/HST.

## **SCOPE OF WORK**

The contract construction package consists of dyke improvements on statutory rights-of-way along the Nicomekl and Serpentine Rivers. This contract primarily involves the moving, placement and compaction of soil along both rivers. The work areas are described generally as the Lower Nicomekl River, Central Nicomekl River and Central Serpentine River as highlighted on the map attached as Appendix I. Secondary activities associated with this contract include hydroseeding, fencing and flood box installation, access road construction and removal, stockpile operations, spillway adjustments and settlement monitoring.

Stockpiling of clay for summer dyke construction will begin in April. Due to the nature of the soils with which the dykes are constructed construction is limited to periods of dry weather. As such, it is anticipated that dyke construction will begin in the middle of June and extend through October 2010.

#### **TENDER RESULTS**

Tenders for the above contract were opened on March 26, 2010, with the following results:

		Tendered Amount with GST	Corrected Amount
	Contractor		
1.	Delta Aggregates Ltd.	\$2,258,640.99	No Change
2.	Double M Excavating Ltd.	\$2,543,257.68	No Change

The Engineer's pre-tender estimate was \$2,418,596.25 including GST. Since this project involves dyke works, only contractors from a pre-qualified contractors list were invited to submit tenders. Council previously approved the pre-qualified list of contractors.

This package was originally tendered in February of this year, under M.S. 4810-001-11. The bids were read at the tender opening and the lowest bid was 20% below the original engineer's estimate. Unfortunately, all the submissions contained errors and were rejected. The bidders were invited to re-bid the work. The City only received bids from the lowest two bidders. Each of these contractors submitted a new bid that was lower than their original bid.

#### **EVALUATION**

The City's consultant reviewed the tenders for accuracy and completeness. No errors were found. Both submissions included the required 10% bid bond, and were signed and sealed on the Tender Form and Summary Sheet of the Schedule of Quantities and Prices.

The low bidder, Delta Aggregates Ltd. (Delta), has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond and has agreed to complete the work within 122 working days as stipulated in the contract. Delta's past performance on other City projects has been satisfactory. They have no outstanding legal claims against the City.

It is recommended that Delta be awarded Contract M.S. 4810-001-21.

# SUSTAINABILITY CHARTER/CONSIDERATIONS

The Serpentine and Nicomekl Flood Control Project is allowing for intensification of farming activities. As the project has progressed, previously semi-dormant hay fields are now being actively farmed with higher value crops such as vegetables and blueberries. This, along with habitat compensation and environmentally sensitive design and construction, supports the Economic and Environmental Pillars of the City's Sustainability Charter by:

- EC12: Enhancing the productivity of agricultural lands within the Serpentine and Nicomekl River floodplains; and
- EN12: Enhancement and Protection of Natural Areas, Fish Habitat and Wildlife Habitat

# **FUNDING**

Funding for this contract is available in the approved 2010 Engineering budget.

Vincent Lalonde, P.Eng. General Manager, Engineering

VL/MO/brb

Appendix I - Map of 2010 Dyke Construction under Contract M.S. 4810-001-21

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