

NO: R048

COUNCIL DATE: **March 14, 2011**

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## REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **March 9, 2011**

FROM: **General Manager, Engineering**

FILE: **0520-30(PQ)**

SUBJECT: **Pre-Qualification of Contractors for Road Paving Construction Work**

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## RECOMMENDATIONS

The Engineering Department recommends that Council approve as “pre-qualified contractors” for the years 2011 through 2013, the contractors listed under each of the following categories of Road Paving construction work:

(a) **Tier 1 and Tier 2 MRN and Arterial Paving Projects:**

1. BA Blacktop Ltd.
2. Imperial Paving Ltd.
3. Jack Cewe Ltd.
4. Lafarge Canada Inc. C.O.B. as Columbia Bitulithic
5. Winvan Paving Ltd.

(b) **Tier 2 MRN and Arterial Paving Projects:**

1. Grandview Blacktop Ltd.

(c) **Tier 1 and Tier 2 Local and Non-Arterial Paving Projects:**

1. BA Blacktop Ltd.
2. Grandview Blacktop Ltd.
3. Imperial Paving Ltd.
4. Jack Cewe Ltd.
5. Lafarge Canada Inc. C.O.B. as Columbia Bitulithic
6. TAG Construction Ltd.
7. Winvan Paving Ltd.

## **BACKGROUND**

In 1999, the City adopted an approach of pre-qualifying contractors for dyke construction and environmentally sensitive in-stream construction works. This has proved to be a successful approach to ensuring quality workmanship and minimizing problems. Staff has initiated expanding the prequalification process to include the Capital Road Paving programs and the Land Development Overlay Road Paving Program. Tenders for City-initiated Major Road Network (MRN), Arterial and Local, Non-arterial paving construction projects are proposed to be limited to bids from those contractors on the “pre-qualified contractor” lists. The objective is to have experienced contractors with high standards of workmanship carry out work in the repaving programs. The City has experienced problems over the past two years resulting from paving contractors being awarded contracts but lacking the capacity and experience to deliver work with good quality in the required time frame. This has resulted in delays in delivering our paving program.

Similar to the dyke construction projects, the Engineering Department will go through a process to renew the list of pre-qualified contractors. As was the case leading up to this report, advertisements will be placed on the City’s website, BC Bid website and the Journal of Commerce inviting contractors to submit their qualifications for evaluation. Contractors who apply will be evaluated with respect to their capacity, expertise and experience. Additions to the list will be considered periodically in relation to contractors that are new to Surrey and, therefore, did not previously submit or have improved their qualifications.

## **DISCUSSION**

An advertisement was placed on the City’s website, on the BC Bid website and in the Journal of Commerce inviting contractors to submit a Statement of Qualifications (SOQ) for paving work associated with MRN, Arterial, Local, and Non-Arterial road paving projects. A package of documentation was prepared for contractors that were interested in making a submission. Included in the package was an outline of the scope of the work related to typical projects under each category of work and the evaluation criteria that would be used as the basis for determining which contractors would be prequalified. A total of 8 contractors submitted Statements of Qualifications for consideration by the City. The names of all of the contractors that made a submission to the City are listed in Appendix I.

The 2011 “pre-qualified contractor” lists will be used during the tendering of City-initiated MRN, Arterial and Local, Non-Arterial paving construction projects from 2011 through 2013. The works typically involve road grinding and repaving or pavement overlays on existing roads. Dependent on expertise and equipment capability, a contractor may qualify for only MRN, Arterial or only Local, Non-Arterial paving projects or may qualify for both types of work.

A two-tier approach provides smaller contractors with an opportunity to gain experience on projects with lower complexity and through this experience be better positioned to take on larger or more complex projects during the next round of “pre-qualification”. This does not preclude those that do not qualify initially from carrying out other City contracts that involve some paving work and thereby gaining the credentials necessary to qualify for Tier-one works. The following criteria will be used in determining whether construction projects are Tier 1 projects or Tier 2 projects:

**Tier 1 MRN, Arterial Paving Projects Criteria:**

- Control and Production Capacity of Asphalt Plant
- Control of Milling Equipment
- Capacity to Provide Warm Mix Asphalt Production
- Generally High Volume Projects

**Tier 1 Local, Non-Arterial Projects Criteria:**

- Experience
- Work Volume
- References
- Deficiencies History

The level of participation of the pre-qualified contractors in tenders will be monitored and action will be taken by staff to update the “pre-qualified contractors” lists periodically.

**Evaluation of Submissions:**

The submissions were evaluated using the following criteria:

- Relevant experience in paving construction work;
- Availability of suitable equipment and asphalt production capacity;
- Experience and qualifications of personnel; and
- References in relation to projects that the contractor has completed.

Of the 8 submissions that were received by the City, 7 were deemed to be suitable to include on one or more of the “pre-qualified contractor” lists.

**SUSTAINABILITY CONSIDERATIONS**

The pre-qualification of contractors for MRN, Arterial Paving and Local, Non-Arterial paving works supports the objectives of the City’s Sustainability Charter related to following goals:

- EC3 – Sustainable Infrastructure Maintenance and Replacement
- EN8 – Sustainable Engineering Standards and Practices
- EN16 – Land, Water and Air Quality Management

## CONCLUSION

Based on the above discussion, it is recommended that Council approve as “pre-qualified contractors” for the years 2011 through 2013 the list of contractors under each of the following categories of MRN, Arterial and Local, Non-Arterial paving projects:

(a) Tier 1 and Tier 2 MRN and Arterial Paving Projects:

1. BA Blacktop Ltd.
2. Imperial Paving Ltd.
3. Jack Cewe Ltd.
4. Lafarge Canada Inc. C.O.B. as Columbia Bitulithic
5. Winvan Paving Ltd.

(b) Tier 2 MRN and Arterial Paving Projects:

1. Grandview Blacktop Ltd.

(c) Tier 1 and Tier 2 Local and Non-Arterial Paving Projects:

1. BA Blacktop Ltd.
2. Grandview Blacktop Ltd.
3. Imperial Paving Ltd.
4. Jack Cewe Ltd.
5. Lafarge Canada Inc. C.O.B. as Columbia Bitulithic
6. TAG Construction Ltd.
7. Winvan Paving Ltd.

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General Manager, Engineering

KZ/brb/jkb

Appendix I: Names of Contractors that Made a Submission to the City

# APPENDIX I

## Contractors that Made a “Pre-Qualification” Submission to the City

1. BA Blacktop Ltd.
2. Grandview Blacktop Ltd.
3. Imperial Paving Ltd.
4. Jack Cewe Ltd.
5. Keywest Asphalt Ltd.
6. Lafarge Canada Inc. C.O.B. as Columbia Bitulithic
7. TAG Construction Ltd.
8. Winvan Paving Ltd.