

NO: k

COUNCIL DATE: **KyO**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **July 16, 2014**

FROM: **Acting General Manager, Engineering**

FILE: **1710-006/31**

SUBJECT: **Increase in Expenditure Authorization for Contract M.S. 1710-006-31 - Roberts Bank Rail Corridor 152 Street Railway Grade Separation Project**

RECOMMENDATION

The Engineering Department recommends in relation to Contract M.S. 1710-006-31, for the Roberts Bank Rail Corridor 152 Street Railway Grade Separation Project, that Council approve an increase in the expenditure authorization limit in the amount of \$1,700,000 including contingency and taxes that will increase the authorization limit from \$19,500,000.00 to \$21,200,000, which increase is necessary to cover the cost during construction of increased pile lengths in response to variable soil conditions and contractual costs resulting from the delay in the relocation of BC Hydro infrastructure.

BACKGROUND

The Roberts Bank Rail Corridor Program in Surrey consists of the construction of road/rail grade separations at 152 Street, 192 Street, 196 Street and 54 Avenue and related road works to reduce congestion at rail crossings. The Program also includes at-grade crossing improvements and closures along Colebrook Road to allow for the cessation of train whistling along the majority of the B.C. Railway corridor through Surrey.

At its Regular meeting on October 3, 2011 (see Corporate Report No. R185; 2011 attached as Appendix I) Council approved the award of a construction contract for the 152 Street Railway Grade Separation and Related Works Project, Contract M.S. 1710-006-31, to Westpro Infrastructure Ltd. and approved an expenditure authorization limit of \$19.5 million including contingency and HST.

DISCUSSION

During the installation of the foundation piles for the grade separation structure, soil conditions at the site were found to be highly variable as compared to the results of the geotechnical investigation drilling and sampling investigation that was carried out for purposes of design. This resulted in the need for additional lengths of piling, as compared to the design, to achieve the required load supporting capacity. Cost associated with additional pile lengths totalled \$445,890.00. Although the costs have been known for some time, they would have been covered within project contingency allowance had these not been additional costs due to BC Hydro relocation changes.

In spite of one year advance notice to BC Hydro to commence the design for relocation of overhead electrical power lines on the construction site, the completion of design, and subsequent relocation works, did not occur until after the award of the construction contract to Westpro Infrastructure Ltd. Portions of the construction could not commence with hydro poles and overhead power lines in conflict thus costs were incurred for storage of ordered piling material and bridge girders, installation of additional wick drains to mitigate delay in preloading, changes in subcontractors due to scheduling conflicts, and increased costs of bonding, insurance, supervision and inspection, and other overheads due to the extended completion date. Cost associated with this delay totalled \$1,241,800.00, and are not recoverable from BC Hydro as they do not compensate with any delay costs are associated with the relocation of BC Hydro infrastructure that was required as part of the project.

The total of the above-referenced costs is \$1.7 million.

FUNDING

The Roberts Bank Rail Corridor Program 152 Street Grade Separation Project is being funded by way of contributions from Transport Canada, BC Ministry of Transportation & Infrastructure, TransLink, and City of Surrey with Surrey's funding partners contributing approximately 81.7% of the project costs. Therefore, the additional funding commitment from the City is \$311,100.00 (18.3% of 1.7 million). All outstanding claims and costs must be settled prior to the completion of the master funding agreement before October 31, 2014.

Funding to cover the City's share of the additional costs as described in this report is available in the Council-approved Capital Budget.

Gerry McKinnon
Acting General Manager, Engineering

VL/GMC/KDZ/SN/ras

Appendix I: Corporate Report R185; 2011

NO: **R185** COUNCIL DATE: **October 3, 2011**

REGULAR COUNCIL

TO: Mayor & Council **DATE: September 28, 2011**

FROM: General Manager, Engineering **PROJECT FILE: 1710-006/31**

SUBJECT: Award of Contract M.S. 1710-006-31 for the Construction of the 152 Street Railway Grade Separation Project and Related Works

RECOMMENDATIONS

The Engineering Department recommends that Council:

1. Award Contract M.S. 1710-006-31 to Westpro Infrastructure Ltd for the construction of the 152 Street Railway grade separation project and related works in the amount of \$18,532,769.92, including HST; and
2. Set the expenditure authorization limit for Contract M.S. 1710-006-31 at \$19,500,000 including HST and contingencies.

SCOPE OF WORK

The subject contract includes construction of all works associated with grade separating 152 Street at its crossing with the British Columbia Railway and Colebrook Road in the area illustrated on the map attached to this report as Appendix I. This grade separation (overpass) is a component of the Roberts Bank Rail Corridor Program (i.e., a series of grade separation projects and related works along the BC Railway line) all of which is currently targeted for completion by 2014. To facilitate the flow of traffic along 152 Street during the construction of the 152 Street grade separation project a detour road is being constructed parallel to and east of the grade separation approach ramps and bridge structure as shown on the map in Appendix I.

BACKGROUND

In March 2006, Transport Canada commissioned the Roberts Bank Rail Corridor Road/Rail Interface Study. This study recommended the construction of nine road/rail grade separations at various road crossings of the railway. Subsequently an Agreement was reached between 12 separate funding agencies (the "Partners"). TransLink committed to fulfill the role of Program Director and be the administrative lead of the Program on behalf of the Partners. Each of the municipalities, in which the respective grade separations are located, is designated as the Delivery Agent for the overpasses within their respective areas of jurisdiction. The City of Surrey will be the delivery agent in relation to the construction of four road/rail grade separations, one of which is the subject of this report; the others being 192 Street, 54 Avenue and 196 Street, respectively.

TENDER RESULTS

Tenders for the subject contract were opened on August 30, 2011, with the following results:

<i>Contractor</i>	<i>Tendered Amount with HST</i>	<i>Corrected/Adjusted Amount</i>
1. Westpro Infrastructure Ltd.	\$18,615,649.92	\$18,532,769.92
2. BA Blacktop Ltd.	\$19,118,408.77	No Change
3. Gateway Infrastructure Group GP	\$19,119,969.12	No Change
4. Tybo Contracting Ltd.	\$19,153,133.44	\$19,302,103.12
5. Neelco Construction (1986) Inc.	\$19,428,514.56	No Change
6. Wilco Civil Inc.	\$19,622,556.80	No Change
7. Graham Construction & Engineering	\$19,674,915.00	\$19,674,914.56
8. PCL Construction Westcoast Inc.	\$19,682,647.34	No Change
9. Tercon Construction Ltd.	\$24,640,000.00	\$19,967,623.20
10. Jacob Bros. Construction Ltd.	\$24,141,409.60	\$20,035,107.17
11. West Shore Constructors	\$21,305,244.00	\$21,305,224.64
12. Surespan Construction	\$21,631,704.45	No Change

The Engineer's pre-tender estimate was \$19,988,155.82, including HST.

EVALUATION

The City's consultant reviewed the tender submissions for accuracy and completeness. Six tenders required adjustments either due to arithmetic errors or additional fax submissions from the contractors during the tender period. These adjustments had no bearing on the outcome of the tender process. All 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, Westpro Infrastructure Ltd., has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond and agreed to complete the work within 565 working days, as stipulated in the contract. They have provided examples of their recent experience with projects involving similar work and have no outstanding legal claims against the City. It is recommended that Westpro Infrastructure Ltd. be awarded Contract M.S. 1710-006-31.

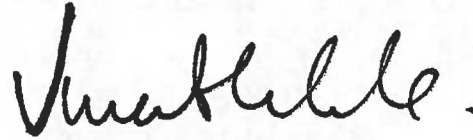
SUSTAINABILITY CONSIDERATIONS

The road infrastructure improvements that will result from this contract will lead to greater opportunity for cycling and pedestrian movement along 152 Street, which will act to support an element of the vision of the City's Sustainability Charter being to efficiently move people and goods within the City, not just vehicles. The project will also enhance the public realm. In particular, the project supports the following action items of the Sustainability Charter:

- SC 13: Creating a Fully Accessible City; and
- EN 13: Enhancing the Public Realm.

FUNDING

This project falls under the Roberts Bank Rail Corridor Program with funding from Transport Canada, Ministry of Transportation, TransLink, Vancouver Fraser Port Authority and the City of Surrey. Approximately 79% of the costs of the contract will be recoverable by the City from the other funding partners.



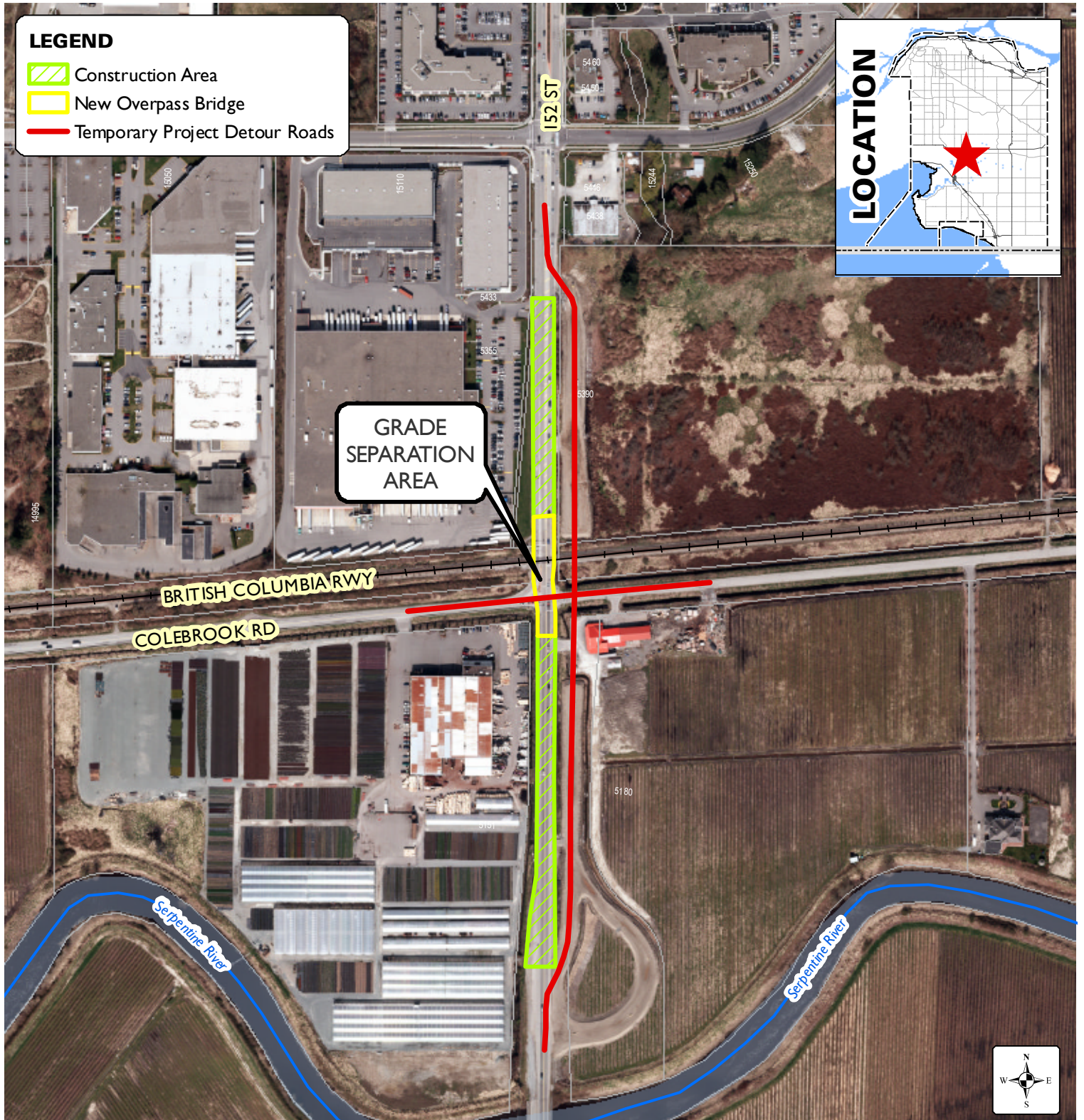
Vincent Lalonde, P.Eng.
General Manager, Engineering

PZ/brb

Appendix I – Map of Contract Location

g:\wp-docs\2011\admin\cr\09121310pz (md vl).doc
BRB 9/28/11 12:08 PM

APPENDIX I AERIAL PHOTOGRAPH OF SITE



Produced by GIS Section: September 22, 2011, CS

Date of Aerial Photography: April 2011



CONTRACT 1710-006-31:
Roberts Bank Rail Corridor Program
152 St Grade Separation

**ENGINEERING
DEPARTMENT**

The data provided is compiled from various sources and IS NOT warranted as to its accuracy or sufficiency by the City of Surrey. This information is provided for information and convenience purposes only. Lot sizes, Legal descriptions and encumbrances must be confirmed at the Land Title Office.

G:\MAPPING\GIS\MAPS\
 CORPORATE REPORTS\Eng-Transp\
 CS_TenderAward_1710-006-31-P.Z.mxd