

**REGULAR COUNCIL**

TO: **Mayor & Council** DATE: **March 23, 2016**  
 FROM: **General Manager, Engineering** FILE: **1215-054/11**  
 SUBJECT: **Award of Contract M.S. 1215-054-11**  
**PRV Upgrades and Flow Meter Installations**

**RECOMMENDATIONS**

The Engineering Department recommends that Council:

1. Award Contract M.S. 1215-054-11 to Merletti Construction (1999) Ltd. in the amount of \$1,121,062.95, including GST, for PRV Upgrades and Flow Meter Installations at various locations throughout the City; and
2. Set the expenditure authorization limit for Contract M.S. 1215-054-11 at \$1,250,000, including GST and contingency.

**SCOPE OF WORK**

The construction package related to this contract consists of upgrading Pressure Reducing Valve (PRV) chambers and installing flow meters at the locations listed in the following table, which are also illustrated on the map attached to this report as Appendix "1":

Map Reference Number	Project #	Project Description	Location
1	1215-5030	PRV chamber installation	116 Avenue and 147 Street
2	1215-5010	PRV chamber upgrade	95 Avenue and 164 Street
3	1215-5020	Flow meter installation	Grandview Pump Station
4	1215-3020	PRV chamber upgrade	Whalley Pump Station
5	1215-5040	Flow meter installation	86 Avenue and 148 Street
6	1215-3330	Watermain installation	Bon Accord Creek Crossing

The contract work is expected to start in June 2016 and be completed by October 2016.

**TENDER RESULTS**

Tenders for the subject contract were opened on March 16, 2016 with the following results:

<i>Contractor</i>	<i>Tendered Amount with GST</i>	<i>Corrected Amount</i>
1. Merletti Construction (1999) Ltd.	\$1,121,587.95	\$1,121,062.95
2. Earth Co Underground	\$1,216,950.00	No Change
3. BEL Contracting	\$1,275,684.90	No Change
4. Hyland Excavating Ltd.	\$1,505,034.30	No Change
5. B. Cusano Contracting (2007) Inc.	\$1,732,500.00	\$1,732,395.00

The Engineer's (MMM Group Ltd.) pre-tender estimate was \$912,723.00 including GST.

## EVALUATION

The City's consultant reviewed the tender submissions for accuracy and completeness. There were two arithmetic errors that had no bearing on the outcome of the tender process. All submissions included the required 10% bid bond, were signed and sealed on the Tender Form, and were initialed on the Summary Sheet of the Schedule of Quantities and Prices.

The lowest tendered amount was approximately 20% higher than the Engineer's pre-tender estimate. The higher bid amount may reflect the tight construction schedule, the multi-disciplinary sub-contractors involved and the work being spread over six sites.

The low bidder, Merletti Construction (1999) Ltd., has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond, and agreed to complete the work within 90 working days, as stipulated in the contract. Merletti Construction (1999) Ltd.'s past performance on similar work has been satisfactory. They have no outstanding legal claims against the City. It is recommended that Merletti Construction (1999) Ltd. be awarded Contract M.S. 1215-054-11.

## SUSTAINABILITY CONSIDERATIONS

The work of this contract will enhance redundancy in the City's water distribution network and optimize the operation of the system. In particular, the project supports the following City Sustainability Charter scope actions:

- EC3: Sustainable Infrastructure Maintenance and Replacement; and
- EN8: Sustainable Engineering Standards and Practices.

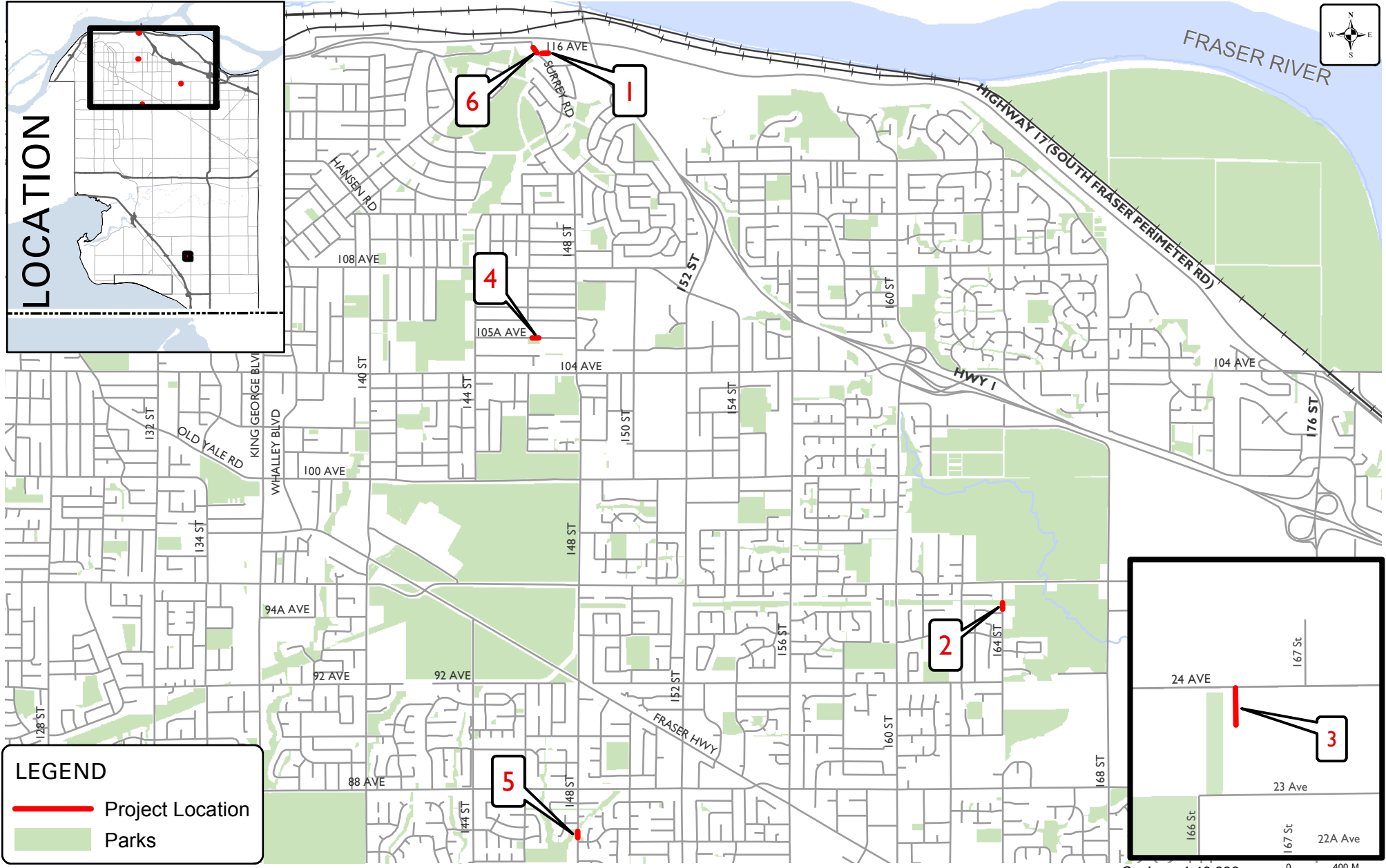
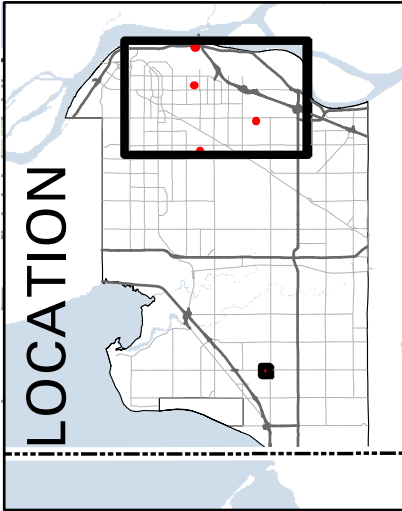
## FUNDING

Funding for this contract is available in the approved 2016 Utilities Budget.

Fraser Smith, P.Eng., MBA  
General Manager, Engineering

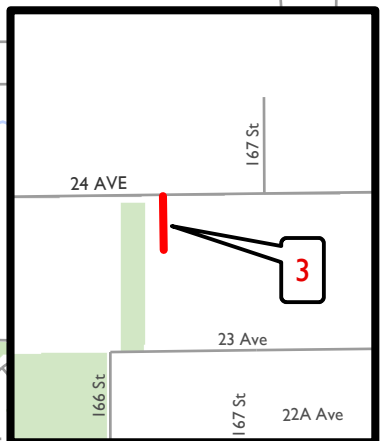
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Appendix "I" – Map of Locations – Contract M.S. 1215-054-11



**LEGEND**

- Project Location
- Parks



Produced by GIS Section: 23-Mar-2016, EM9

Scale: 1:40,000



## CONTRACT M.S. 1215-054-11 Map of Locations

## 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.