

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **February 20, 2017**

FROM: **General Manager, Engineering** FILE: **1716-070/11**

SUBJECT: **Award of Contract M.S. 1716-070-11
51B Avenue and 188 Street Local Road Construction**

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract M.S. 1716-070-11 to Richco Contracting Ltd. in the amount of \$1,067,838.45, including GST, for a new local road on 51B Avenue at 188 Street;
2. Set the expenditure authorization limit for Contract M.S. 1716-070-11 at \$1,174,622.30, including GST and contingency; and
3. Authorize the General Manager, Engineering to execute Contract M.S. 1716-070-11.

SCOPE OF WORK

At its Regular meeting on July 22, 2013, Council adopted the recommendations of Corporate Report No. R135;2013 adopting a Local Area Service related to this construction package. The construction package consists of the construction of a new paved road in the 51B Avenue road allowance from the property at 19012 - 51B Avenue west to 188 Street, and on 188 Street from 51B Avenue south to the property at 4938 - 188 Street, all as generally illustrated on the map attached to this report as Appendix "I". The construction of this new paved road will improve access to the properties fronting the road, which collectively have an area of over 25 hectares and are all located within the Agricultural Land Reserve (ALR).

The contract work is expected to start in March 2017 and be completed by October 2017.

TENDER RESULTS

Tenders for the subject contract were opened on December 8, 2016 with the following results:

<i>Contractor</i>	<i>Tendered Amount with GST</i>	<i>Corrected Amount</i>
1. Richco Contracting Ltd.	\$1,067,838.45	No Change
2. GCL Contracting & Engineering Inc.	\$1,093,024.80	No Change
3. Tybo Contracting Ltd.	\$1,133,100.15	No Change
4. Eurovia British Columbia Inc.	\$1,134,420.15	No Change
5. Tag Construction Ltd.	\$1,222,776.45	No Change
6. B & B Contracting (2012) Ltd.	\$1,232,600.00	No Change
7. 1076442 B.C. Ltd.	\$1,264,013.10	No Change
8. Jack Cewe Ltd.	\$1,930,803.00	No Change

The Engineer's (R.F. Binnie & Associates Ltd.) pre-tender estimate was \$1.2 million including GST. Although tenders were opened on December 8, 2016, the recommendation of award for this contract was postponed to the March 6, 2017 Regular Council meeting to allow for the final readings required for the Local Area Service Bylaw, which was approved by Council at the February 20, 2017 Regular Council Public Hearing.

EVALUATION

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

The low bidder, Richco Contracting Ltd., has provided a Consent of Surety for a Performance Bond and a Labour & Materials Bond, and agreed to complete the work by October 2017, as stipulated in the contract. Richco Contracting Ltd.'s past performance on similar work has been satisfactory. They have no outstanding legal claims against the City. It is recommended that Richco Contracting Ltd. be awarded Contract M.S. 1716-070-11.

SUSTAINABILITY CONSIDERATIONS

The proposed construction will improve access to farmland within the ALR that has been previously inaccessible. As such, these works align with achieving the objectives of the City's Sustainability Charter. In particular, this work supports the Sustainability Charter themes of Built Environment and Neighbourhoods and Economic Prosperity and Livelihoods. Specifically, this contract supports the following Desired Outcomes:

- Neighbourhoods and Urban Design DO 4: Surrey's neighbourhoods are safe, accessible, well connected, walkable and bike friendly; and
- Economy DO10: The Agricultural Land Reserve is maintained, agricultural practices are sustainable, and food production and processing are enhanced.

FUNDING

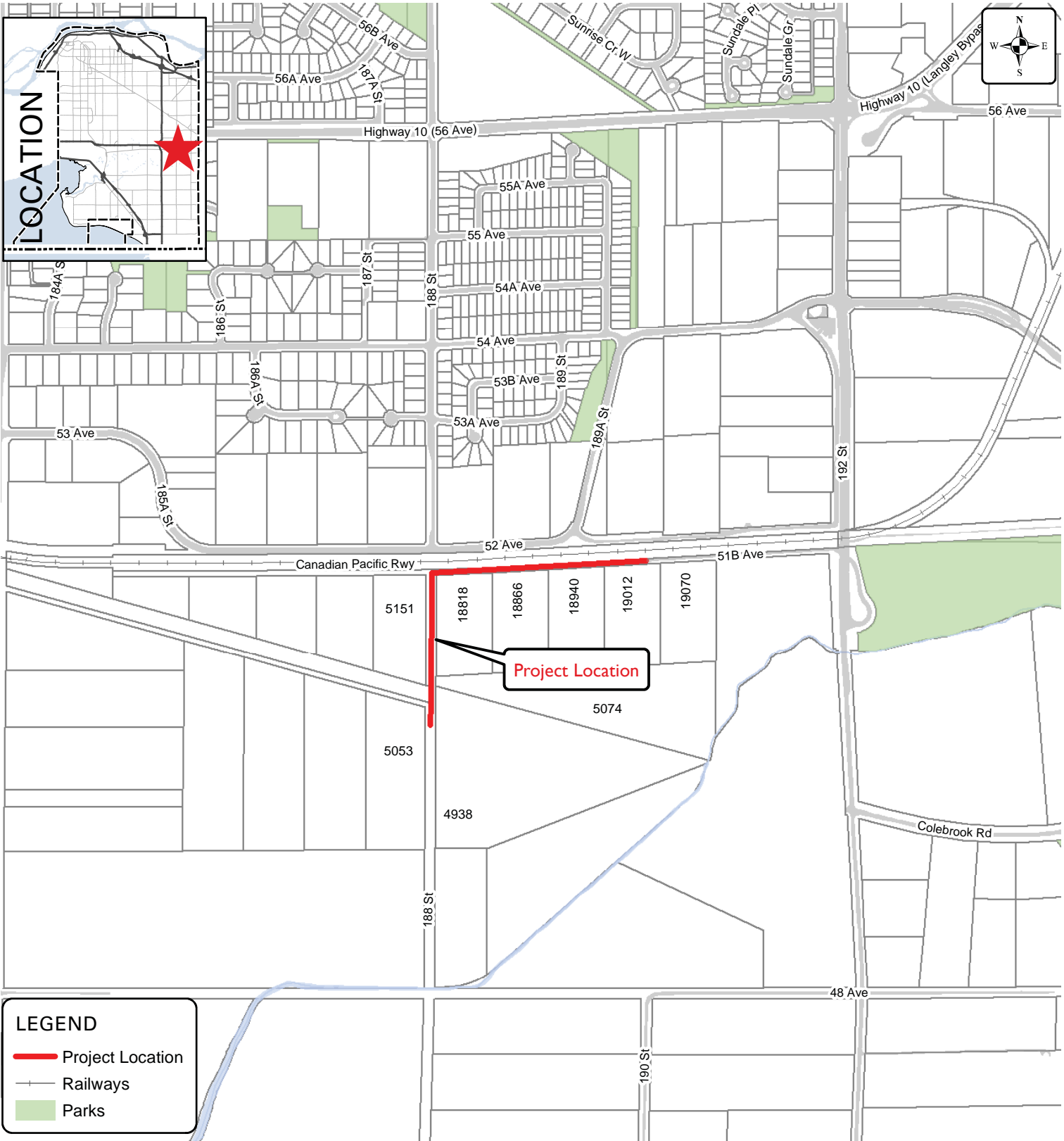
The funding requirements for this project were established under the Local Area Service which requires the owners fronting this project to fund the entire cost of this project.

Funding for this contract is available in the approved 2017 Transportation Budget.

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

FS/SBN/VJ/cc

Appendix "I" – Map of Locations – Contract M.S. 1716-070-11



Produced by GIS Section: 20-Feb-2017, P205934

CONTRACT M.S. 1716-070-11
51B Avenue and 188 Street
Local Road Construction

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.

Source: G:\GIS\Temp\paolo\dnc_con1716-070-11\P20_MS1716-070-11_rev1.mxd