

NO: R072

COUNCIL DATE: April 24, 2017

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **April 13, 2017**

FROM: **General Manager, Engineering** PROJECT FILE: **1217-001/11**

SUBJECT: **Award of Contract M.S. 1217-001-11**
South Surrey Water Main Construction

RECOMMENDATION

The Engineering Department recommends that Council:

1. Award Contract M.S. 1217-001-11 to Richco Contracting Ltd. in the amount of \$2,458,890.00, including GST, for the construction of new water mains at various locations in South Surrey;
2. Set the expenditure authorization limit for Contract M.S. 1217-001-11 at \$2,700,000.00, including GST and contingency; and
3. Authorize the General Manager, Engineering to execute Contract M.S. 1217-001-11.

SCOPE OF WORK

The construction package related to this contract consists of installation of water mains in the South Surrey area to replace aging and undersized existing infrastructure at the locations listed in the following table, which are also illustrated on the map attached to this report as Appendix "I".

Map Reference Number	Project Description	Location and Limits
1	475m of 200mm diameter water main	16 Avenue: 152 Street to 154 Street 152 Street: 16 Avenue to 1640 - 152 Street
2	Abandon existing 150mm diameter water main and transfer water services to existing 300mm diameter water main	24 Avenue: 164 Street to 168 Street
3	800m of 200mm diameter water main	20 Avenue: 164 Street to 168 Street
4	950m of 300mm diameter water main	164 Street: King George Boulevard to 8 Avenue
5	Abandon existing 150mm diameter water main and transfer water services to existing 300mm diameter water main	10 Avenue: 163 Street to 165 Street
6	260m of 450mm diameter water main	4 Avenue: 174 Street to 175A Street

The contract work is expected to start on June 1, 2017 and be completed by October 31, 2017.

TENDER RESULTS

Tenders for the subject contract were opened on April 12, 2017, with the following results:

<i>Contractor</i>	<i>Tendered Amount with GST</i>	<i>Corrected Amount</i>
1. Richco Contracting Ltd.	\$2,458,890.00	No Change
2. Gradex Construction Ltd.	\$2,505,914.00	No Change
3. Sandpiper Contracting LLP	\$2,590,611.45	No Change
4. J. Cote & Sons Excavating Ltd.	\$2,614,500.00	No Change
5. Targa Contracting (2013) Ltd.	\$2,616,211.50	\$2,618,941.50
6. Pedre Contractors Ltd.	\$2,730,000.00	No Change

The Engineer's (ISL Engineering) pre-tender estimate was \$2.54 million including GST.

EVALUATION

The City's consultant reviewed the tender submissions for accuracy and completeness. There was one minor arithmetic error that had no bearing on the outcome of the tender process. All submissions included the required 10% bid bond, were signed on the Tender Form, and were initialled 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 within 100 working days, 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. 1217-001-11.

SUSTAINABILITY CONSIDERATIONS

This project supports the objectives of the City's Sustainability Charter. In particular, the work of this contract relates to the Sustainability Charter theme of Infrastructure by minimizing operational and maintenance costs and facilitating the servicing of adjacent properties. Specifically, this contract supports the following Desired Outcomes:

- All Infrastructure DO1: City facilities and infrastructure systems are well managed, adaptable and long lasting, and are effectively integrated into regional systems; and
- All Infrastructure SD1: Proactively manage community assets to maintain them over the long-term in a state of good repair.

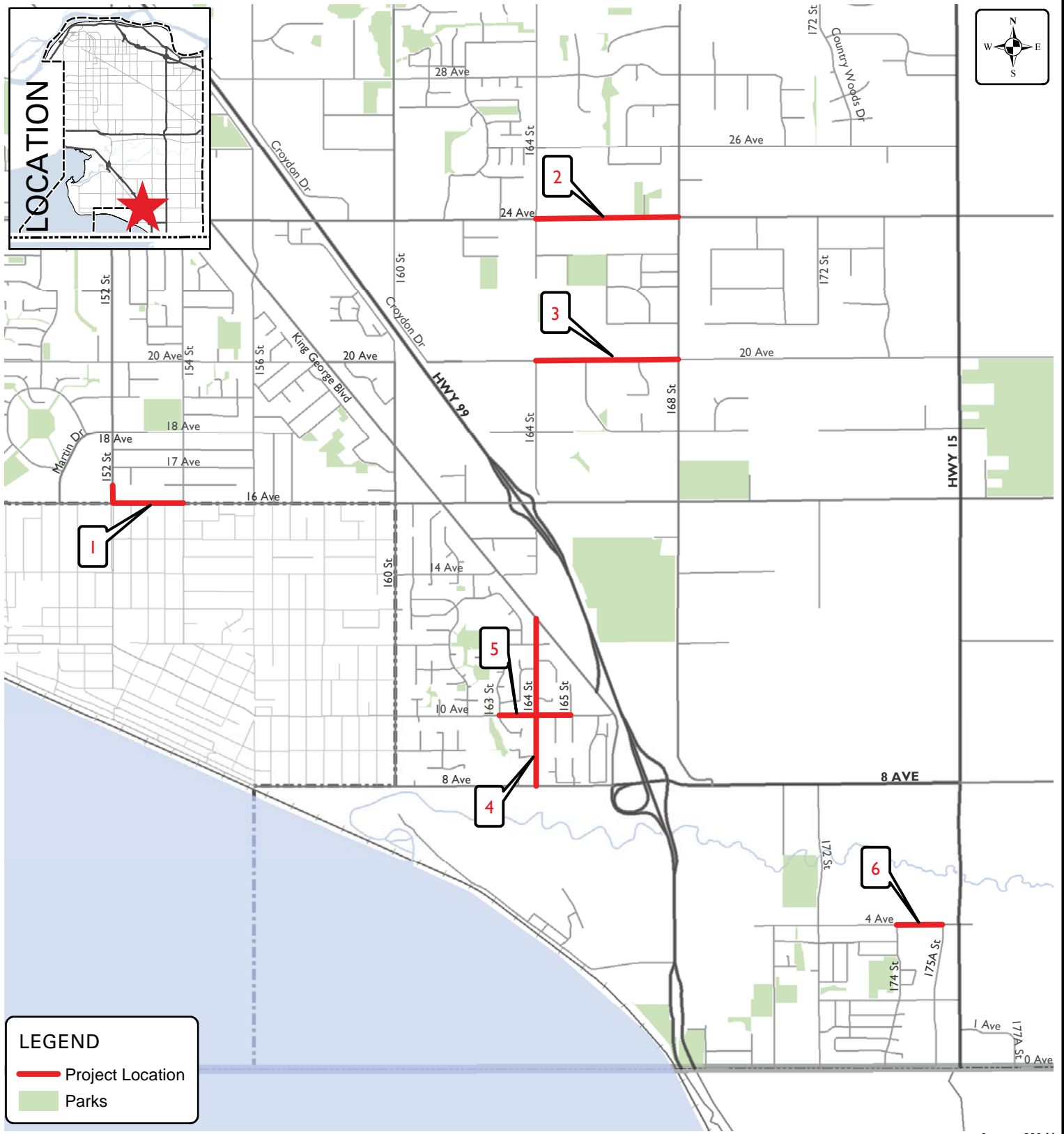
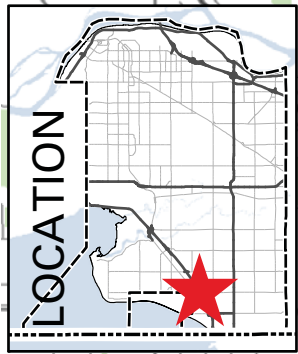
FUNDING

Funding for the subject contract is available in the approved 2017 Budget.

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

SBN/GKC/cc

Appendix "I" – Map of Location – Contract M.S. 1217-001-11



Produced by GIS Section: 18-Apr-2017, P123723

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CONTRACT M.S. 1217-001-11 South Surrey Water Main Construction

ENGINEERING DEPARTMENT