



# REPORT TO COUNCIL

To: **Mayor Schaffer and Councillors**

Subject **56 Avenue Road and Utility Project – Tender Award**

Report #:

File #: 17-018

From: Rick Bomhof, Director of Engineering, Parks & Environment

Doc #:

Date: March 27, 2017

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## RECOMMENDATION:

1. THAT Council award the tender T2017-01, 56 Ave: Roadworks and Utility Project, to Richco Contracting Ltd. based on their bid of \$4,157,864.00 (excluding GST).
2. THAT Council authorize the Director of Engineering, Parks and Environment and the Chief Administrative Officer to execute documents related to this award.

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## PURPOSE:

The purpose of this report is to seek authorization from Council to award the tender T2017-01 56 Ave: Roadworks and Utility Project, to Richco Contracting Ltd.

## POLICY:

Purchasing Policy FN-12 – City Council approval required for entering contracts for goods or services over \$375,000.



## COMMENTS/ANALYSIS:

The 56th Avenue Road Works and Utilities Project, between the Langley Bypass and Glover Road, will replacement aging water and sewer mains complete with associated road improvements. Road improvements include new sidewalks, curb & gutter, streetlights, street trees, addition of cycling lanes and pavement rehabilitation. The sidewalks between Glover Road and just east of 206 Street will be done to the downtown realm standard.

The tender was posted on BC Bid and was open to all bidders. The tenders were reviewed for completeness, errors and compliance to the tendering specifications.

A list of bidders and bid prices is provided below for reference.

Rank	Contractor	Tender Price (Excluding GST)
1	Richco Contracting Ltd.	\$4,157,864.00
3	Eurovia British Columbia Inc.	\$4,212,788.56
2	Lafarge Canada Inc.	\$4,278,872.00

As the low compliant bid is within the available budget, it is recommended that Council award T2017-01, 56 Ave: Roadworks and Utility Project, to Richco Contracting Ltd. for the amount of **\$4,157,864.00** (excluding GST). The tendered price includes \$611, 561.00 in Optional Work<sup>1</sup>.

Tenders were evaluated based on the full contract price including optional items. The City may choose to proceed with all or none of the optional items.

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<sup>1</sup> Optional work items include highly reflective pavement markings, intersection modifications at 56 Avenue at Logan Ave/206 Street and 56 Avenue at Langley Bypass, conduit for fibre optic, provisional sums for property restoration and disposal of unsuitable material and utility tie-ins and an early completion bonus. These items will be approved based on available budget as the project progresses.



## BUDGET IMPLICATIONS:

Pre-Tender Engineers Estimate:	Base bid	\$3,748,667
	Optional Items –	\$383,950
	<i>Total</i>	<i>\$4,122,617</i>

The total construction budget for 56 Ave: Roadworks and Utility Project is as follows:

56 Avenue Roadworks:	\$2,259,510*
56 Avenue Water:	\$800,000*
56 Avenue Storm and Sanitary Sewer:	\$800,000*
LED Lighting Replacement:	\$10,000
Ornamental Streetlight Replacement:	\$350,000
Traffic Signal at Glover Ave and 56 Ave:	\$250,000
<u>Total:</u>	<u>\$4,469,510</u>
Engineering & Project Management:	(\$273,301)
<b>Total Construction Budget</b>	<b>\$4,196,209</b>

*\* Portion of works where 83% of budget is funded by Federal/Provincial Grant.*

The contingency will be the value of the Optional work in the amount of \$611,561.00 plus the difference between the tendered amount and the total construction budget (\$4,196,209 - \$4,157,864.00), totalling \$649,906.00 which is approximately 15% contingency. Optional items will be approved as the project progresses if funding allows.

ICBC Road Improvement Program funding has been approved for \$76,000.00 for road safety improvements. This amount has not been included in the overall construction budget but would be billed after completion of the selected improvements such as intersection improvement work at 56<sup>th</sup> Avenue and Langley Bypass, 56<sup>th</sup> Avenue and Glover Road and crosswalk improvement work at Salt Lane.

## ALTERNATIVES:

None.



Respectfully Submitted,



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Rick Bomhof, P.Eng.  
Director of Engineering, Parks & Environment

Attachment: Project Plan

**CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:**

I support the recommendation.



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Francis Cheung, P. Eng.  
Chief Administrative Officer

