



REPORT TO COUNCIL

To: **Mayor Schaffer and Councillors**

Subject **Tender Award – T2017-026 48th Ave Sanitary
Sewer Replacement**

Report #: 17-068

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

File #: 5240.01
Doc #:

Date: December 7, 2017

RECOMMENDATION:

1. THAT PW Trenchless Construction Inc. be awarded the contract for the 48 Avenue Sanitary Sewer Replacement based on the tender price of \$415,053.50.
2. THAT Council authorize the Director of Engineering, Parks and Environment and the Chief Administrative Officer to execute documents related to this award.

PURPOSE:

The purpose of this report is to seek authorization from Council to award the tender T2017-026 48th Ave Sanitary Sewer Replacement, to PW Trenchless Construction Inc.

POLICY:

As per City Policy, FN-12 Purchasing Policy, all single purchases for goods or services that exceed a total value of over \$375,000 must be approved by City Council.

COMMENTS/ANALYSIS:

As per the City Purchasing Policy FN-12, the tender was posted on BC Bid and was open to all bidders. Two bid options were allowed based on open cut trench

construction method and trenchless pipe bursting. Seven contractors submitted bids. The low bidder of the two options (trenchless) was PW Trenchless Construction Inc. at \$415,053.50. The second bidder (open cut) was Sandpiper Contracting LLP with a bid of \$454,826.00. The Engineers estimate for this project was \$327,533.80, the low bid is 27% higher than the engineers estimate.

The tenders were reviewed by the Contract Administrator for completeness, errors and compliance to the tendering specifications (see attached). The Contract Administrator has worked with was PW Trenchless Construction Inc. and is satisfied that they have the knowledge and capacity to complete the project. PW Trenchless Construction Inc. was found to be the low compliant bidder and the Contract Administrator recommended award of the tender on that basis.

As the low compliant bid is within the available budget, it is recommended that Council award PW Trenchless Construction Inc. the contract for the 48 Ave Sanitary Sewer Replacement based on the tender price of \$415,053.50..

BUDGET IMPLICATIONS:

The 2017 Capital Improvement Plan has a budget of \$370,000 for replacing the sanitary sewer along 48th Ave. An additional \$125,000 was added, as a budget amendment due, to the difference between engineers estimate and tender prices for a total budget of \$495,000.

Budget Breakdown:

Tender Price	\$ 415,053.50
Design & Contract Administration*	<u>\$ 46,552.00</u>
TOTAL	\$ 461,605.50
 Budget	 \$ 495,000.00
 Contingency	 \$ 33,394.50

ALTERNATIVES:

None.

Respectfully submitted,



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

Attachment(s): None.

CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:

I support the recommendation.



Francis Cheung, P. Eng.
Chief Administrative Officer