



REPORT TO COUNCIL

To: **Mayor Schaffer and Councillors**

Subject **Tender Award T2018-014 Douglas Crescent Road and Utility Project (206 St to 208 St)**

Report #: 18-35

From: Kara Jefford P.Eng., Manager of Engineering Services

File #: 5240.01

Doc #:

Date: June 4, 2018

RECOMMENDATION:

1. THAT Targa Contracting (2013) Ltd. be awarded the contract for the Douglas Crescent Road and Utility Improvements based on the tender price of \$2,356,500.00 excluding GST.
2. THAT the Director of Engineering, Parks and Environment and the Chief Administrative Officer is authorized to execute documents related to this award.

PURPOSE:

The purpose of this report is to seek authorization from Council to award the tender T2018-014 Douglas Crescent Road and Utility Improvements to Targa Contracting (2013) Ltd..

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. Five contractors submitted bids. The low bidder was Targa

Contracting (2013) Ltd. at \$2,356,500.00. The Engineers estimate for this project was \$2,105,783.50; the low bid is 10% higher than the engineer's estimate.

The tenders were reviewed by the Contract Administrator for completeness, errors and it was found to be in compliance to the tendering specifications. The Contract Administrator is satisfied that they have the knowledge and capacity to complete the project. Targa Contracting (2013) Ltd. is the low compliant bidder and the Contract Administrator recommends award on that basis.

As the low compliant bid is within the available budget, it is recommended that Council award Targa Contracting (2013) Ltd. be awarded the contract for the Douglas Crescent Road and Utilities Project (206 St to 208 St) based on the tender price of \$2,356,500.00.

Subject to weather, the anticipated construction schedule is July to October, 2018.

BUDGET IMPLICATIONS:

Douglas Crescent Design	\$ 275,000.00
Douglas Crescent Roadworks (206 St to 208 St)	\$1,627,500.00
Douglas Crescent Waterworks (206 St to 208 St)	\$ 250,000.00
Douglas Crescent Sewer (206 St to 208 St)	<u>\$ 560,950.00</u>
Total Budget	\$2,713,450.00

Tender Price	\$2,356,500.00
Waterworks by City Crews (estimate)	\$ 40,000.00
Design & Contract Administration	<u>\$ 279,098.23</u>
Total Costs	\$2,675,598.23

<i>Contingency</i>	<i>\$ 37,851.77 (1.3%)</i>
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The recommended contingency for the construction phase of this project is 10% which is approximately \$271,000.00. The City has \$84,207.32 held from past developer contributions for Douglas Crescent in a Special Bonds Reserve. A budget amendment is forthcoming to enable use of these funds for this project and bring the total contingency to \$271,000.00.

ALTERNATIVES:

None.

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Page 3

Respectfully Submitted,



Kara Jefford, P.Eng., Manager of Engineering Services

Concurrence:



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

Attachment(s):

DEPUTY CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:

I support the recommendation.



Darrin Leite, CPA, CA
Deputy Chief Administrative Officer