



REPORT TO COUNCIL

To: **Mayor Schaffer and Councillors**

Subject **Tender Award – 50th Avenue Muckle Creek
Culvert Replacement**

Report #: 18-39

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

File #:
Doc #:

Date: July 18, 2018

RECOMMENDATION:

1. **THAT**, subject to Water Act approval, Mainland Civil Site Services Inc. be awarded the contract for the 50th Avenue Culvert Replacement based on the tender price of \$609,000.00 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 T2018-019 50th Avenue Culvert Replacement, to Mainland Civil Site Services 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 contractors submitted bids. The low bidder was Mainland

Civil Site Services Inc. at \$609,000.00. The Engineers estimate for this project was \$531,610.00; the low bid is 14% higher than the engineers 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. Mainland Civil Site Services Inc. 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 Mainland Civil Site Services Inc. the contract for the T2018-019 50th Avenue Culvert Replacement based on the tender price of \$609,00.00.

We are awaiting approval from the Ministry of Forests, Lands, Natural Resource Operations & Rural Development, and have been verbally advised it will be approved by July 20, 2018. The recommendation is therefore subject to the Water Act approval.

The amount of contingency is quite low at just 6.4%. Staff took extra measures in the design of the project to reduce construction risks such as verifying the utility locations and completing a soils test hole so we have a higher level of confidence that any extra unforeseen costs will be kept to a minimum.

BUDGET IMPLICATIONS:

The 2018 Capital Improvement Plan has the following budget for this project:

- 50 Ave Culvert Replacement	\$713,927.00
- Sewer and Drainage Replacements	<u>\$50,000.00</u>
Total budget	\$763,927.00

Tender Price	\$609,000.00
Pre-purchased Culvert	\$49,079.28
Design & Contract Administration	<u>\$60,171.15</u>
Total Costs	\$718,250.43

<i>Contingency</i>	<i>\$ 45,677.57 (6.4%)</i>
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ALTERNATIVES:

None

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Respectfully Submitted,



Kara Jefford, P.Eng.
Manager of Engineering services

Concurrence:



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

CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:

I support the recommendation.



Francis Cheung, P. Eng.
Chief Administrative Officer