



ADMINISTRATIVE REPORT

Report Date: March 6, 2016
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VanRIMS No.: 08-2000-20
Meeting Date: April 6, 2016

TO: Standing Committee on Policy and Strategic Priorities

FROM: General Manager of Engineering Services Department and Chief Purchasing Official

SUBJECT: Contract Award for Construction of Sewer Separation

RECOMMENDATION

- A. THAT Council authorize City staff to enter into a contract with J. Cote and Son Excavating Ltd., for the Construction of Sewer Separation at the sites noted in this report, with an estimated contract value of \$2,794,000.00, plus applicable taxes; source of funds to be the 2016 Capital Budget for Sewer Main Reconstruction.
- B. THAT the Director of Legal Services, Chief Purchasing Official and General Manager of the Engineering Services be authorized to execute on behalf of the City the contract contemplated by Recommendation A.
- C. THAT no legal rights or obligations will be created by Council's adoption of Recommendations A and B above unless and until such contract is executed by the authorized signatories of the City as set out in these Recommendations.

REPORT SUMMARY

The City issued Invitation to Tender PS20151185 Construction of Sewer Separation ("the ITT") in January 2016 for Construction of Sewer Separation. The ITT was advertised on the City of Vancouver website and BC Bid and the work was called in accordance with the terms and condition of the City's Procurement Policy AF-015-01. City staff on the ITT evaluation committee and, subsequently, the Bid Committee has considered the responses received and, on that basis, recommend that the City enter into a contract as described above with J. Cote and Son Excavating Ltd.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The City's Procurement Policy AF-015-01 requires that contracts with values over \$2 million must be approved by Council following review and recommendations by the Bid Committee. The Bid Committee has considered and recommended J. Cote and Son Excavating Ltd. as the successful tenderer.

REPORT

Background/Context

Separation of the City's combined sewers is performed in order to:

- 1) improve service levels to citizens
- 2) reduce flooding risks
- 3) increase system capacity
- 4) contribute to the goal of reduced combined sewer overflows as per the Integrated Liquid Waste Resource Management Plan (ILWRMP).

The work tendered is for sewer separation at the following sites in Vancouver:

- W 35th Avenue between Larch Street and Yew Street;
- W 23rd Avenue between Ash Street and L/W of Tupper Street, and L/W Tupper Street between W 23rd Avenue and W 24th Avenue;
- Argyle Street between E 33rd Avenue and E 30th Avenue, and E 30th Avenue between Argyle Street and Welwyn Street;
- E 37th Avenue between W of Argyle Street and Commercial Street;
- Charles Street between Kelowna Street and Windermere Street; and
- W 40th Avenue between Hudson Street and Osler Street.

The work includes the installation of approximately 1887 meters of sanitary (200 mm diameter) and 1912 meters of storm (250 to 450 mm diameter) gravity sewer mains with 3.5m to 4.5m of depth range. The work also includes the reconstruction of manholes, reconnecting of service connections, all fittings, street and surface repairs associated with the installation of the above main sewers, including survey, layout, cutting of pavement and miscellaneous testing procedures. These sites were identified through the CCTV inspection condition assessment program. The proposed work is expected to take six months to complete.

The purpose of the ITT was to engage qualified contractors with a demonstrated capability to supply the City's requirements for the sewer separation work with competitive pricing.

Strategic Analysis

The ITT was issued in the accordance with City's Procurement Policy AF-015-01.

The City received responses from:

J. Cote and Son Excavating Ltd.	\$2,794,000.00
Pedre Contractors Ltd.	\$3,185,000.00
Sandpiper Contracting LLP	\$3,529,145.00
Ace Excavating Ltd.	\$4,836,512.00
B. Cusano Contracting Inc.	\$5,301,298.00

The tender review was performed by Engineering Services and Supply Chain Management. The evaluation team determined that the tender submitted by J. Cote and Son Excavating Ltd. is compliant with the ITT specifications and provides best overall value to the City. J. Cote and Son Excavating Ltd. submitted the lowest, qualified tender at a tender price of \$2,794,000.00 including provisional items (excluding GST).

J. Cote and Son Excavating Ltd. is qualified to perform the work required for the project as set out in the tender package based on its satisfactory completion of multiple large civil works contracts as well as its satisfactory references. References were checked by the project team and Supply Chain Management as part of the evaluation process.

Financial Implications

Finance has reviewed and confirmed that funding is available from the approved multi-year Capital Program budget for Sewer Main Reconstruction. As a result of the ITT, the City is able to achieve cost certainty for the proposed contract term.

Legal

The City's Procurement Policy requires that all contracts that have been awarded by Bid Committee plus Council will be signed by the Director of legal Services.

CONCLUSION

In summary, City staff recommends that the City of Vancouver enter into a contract to completion with J. Cote and Son Excavating Ltd. for the construction of sewer separation.

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