



ADMINISTRATIVE REPORT

Report Date: June 7, 2016
Contact: Nick Kassam
Contact No.: 604.829.2097
RTS No.: 11455
VanRIMS No.: 08-2000-20
Meeting Date: June 29, 2016

TO: Standing Committee on Policy and Strategic Priorities

FROM: General Manager of Real Estate and Facilities Management and Chief Purchasing Official

SUBJECT: Contract Award for the Redevelopment of the Vancouver Art Gallery (VAG) North Plaza

RECOMMENDATION

- A. THAT Council authorize City staff to enter into a contract with Jacob Bros. Construction Inc. for the redevelopment of the Vancouver Art Gallery North Plaza, with an estimated contract value of \$5,724,224.72 plus GST, to be funded through the VAG Plaza Improvement Project (WBS# CCS-00069).
- B. THAT the Director of Legal Services, Chief Purchasing Official and General Manager of Real Estate and Facilities Management 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 an ITT (PS20160689) in May 2016 for the Vancouver Art Gallery ("VAG") North Plaza Redevelopment. The ITT was advertised on the City of Vancouver website and BC Bid, and the work was called in accordance with the terms and conditions of the City's Procurement Policy AF-015-01. City staff on the ITT evaluation committee and the subsequent Bid Committee have considered the responses received, and on that basis, recommend that the City enter into a contract as described above with Jacob Bros. Construction Inc.

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 recommendation by the Bid Committee. The Bid Committee has considered and recommended Jacob Bros. Construction Inc. as the successful proponent.

REPORT

Background/Context

The VAG is the former Provincial Courthouse completed in 1911. The plaza generally dates to 1966 when the fountain was dedicated, with minor changes over the years.

In 2015, under Phase 1 of the project, the east part of the plaza was excavated and the underground spaces of the VAG were re-waterproofed, insulated and topped with additional insulation and bark mulch so as not to over-burden the structure below.

Phase 2, of the project, is to redevelop the entire north plaza of the Vancouver Art Gallery, including the land along Howe Street. A future phase of the project may be pursued to further enhance the art and functional elements of the plaza, such as potential restrooms. Phase 2 of the project includes deconstruction of the existing fountain and underground service space, backfilling the resultant excavation, creating a large storm-water catchment area along Hornby Street, installing trees, planters and new paving over the entire plaza area, and the construction of a bus shelter along Howe Street above the existing underground space. The objective is to improve accessibility by eliminating level changes and providing convenient seating. Existing trees on site will be removed and replaced by new trees which will continue the avenue of maples on the Hornby St. side of Robson Square. The paving pattern established in Robson Square will be incorporated into the new work, including the Georgia Street sidewalk. The work is expected to commence in July 2016 and be completed in February 2017.

The purpose of the ITT was to invite Tenders for this Phase 2 construction from general contractors with experience in the construction of major hardscape civic plazas, major landscaping contracts, construction of LEED™ Gold certified buildings and construction projects within the City of Vancouver. These contractors are capable of performing the required services over the term of the contract, with competitive pricing and meeting the City's service requirements.

Strategic Analysis

A Request for Pre-Qualifications ("RFPPQ") was issued in February 2016 (PS20161482) to identify interested groups or teams to submit responses by indicating their interest and presenting their qualifications for the redevelopment of the VAG North Plaza.

The result of that pre-qualification was a shortlist of five (5) contractors who participated in the ITT that was issued in accordance with City's Procurement Policy AF-015-01. The City received a response from five (5) interested contractors as follows:

<u>Vendor Name:</u>	<u>Price (excluding GST):</u>
Heatherbrae Builders Co. Ltd.	\$5,955,000.00
Jacob Bros. Construction Inc.	\$5,724,224.72
Mierau Contractors Ltd.	\$7,017,958.00
Scott Special Projects Ltd.	\$6,428,993.00
Wilco Civil Inc.	\$7,495,480.00

The bids were evaluated by Supply Chain Management based on the bidders' compliance to the City's requirements and price. The project team, comprised of the business unit and the project's consultants, had the opportunity to review all the bids.

Based on the overall evaluation, the team concluded that the tender submitted by Jacob Bros. Construction Inc. met the City's requirements and provided best overall value to the City.

Financial Implications

Finance has reviewed and confirmed that funding for this contract award is available from the VAG Plaza Improvement Project (WBS# CCS-00069).

The City is able to achieve cost certainty on the construction contract, and is forecasting a procurement savings of approximately (\$694,415.28) over the term of this contract.

This portion of the overall project has come in under budget, however, the overall project has experienced additional costs due to added scope and work related to fountain removal and refinishing of the area that is under the responsibility of the Province. There is contingency to absorb some of the costs, also the City is in discussions with the Province for reimbursement of the costs related to the fountain. Council will be updated through the regular quarterly process on any potential budget or scope changes to this project.

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. The ITT, as issued, was based on the City's standard form ITT template for construction projects, which included a form of contract based on the City's standard form construction contract. That form of contract is the form of written agreement to be used in this case as the contract the parties will sign for the project.

CONCLUSION

In summary, City staff recommends that the City of Vancouver enter into a contract with Jacob Bros. Construction Inc. for the redevelopment of the Vancouver Art Gallery North Plaza.

* * * * *