



ADMINISTRATIVE REPORT

Report Date: September 19, 2016
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Meeting Date: October 19, 2016

TO: Standing Committee on City Finance and Services
FROM: General Manager of Engineering Services and Chief Purchasing Official
SUBJECT: Contract Award for the Vancouver South Transfer Station Site Improvements

RECOMMENDATION

- A. THAT Council authorize City staff to enter into a contract with Jacob Bros. Construction Inc. for Vancouver South Transfer Station Site Improvements with an estimated contract value of \$2,917,997.00, plus applicable taxes, to be funded through the 2015-18 Capital Plan.
- B. FURTHER THAT the Director of Legal Services, Chief Purchasing Official and General Manager of 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 PS20160123 (the "ITT") in June 2016 for the Vancouver South Transfer Station Site Improvements. 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, have considered the response 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 recommendations by the Bid Committee. The Bid Committee has considered and recommended Jacob Bros. Construction Inc., as the successful tenderer.

REPORT

Background/Context

The Vancouver South Transfer Station (VSTS) has been in operation since 1989 and was built to provide a convenient drop-off location for Vancouver residents, commercial haulers, and City collection crews and receives garbage, yard trimmings, organics, clean wood waste and recyclables.

In 2013, the City of Vancouver expanded food scraps collection from its residents and the additional material collected has since been managed through the VSTS. In addition there has been an increase in the number, types and amounts of material collected at the recycling depot located at the VSTS. These changes have resulted in a significant increase in both commercial truck and residential vehicle traffic accessing the VSTS from West Kent Avenue North, and ongoing operational pressures. As a result of these changes, site improvements were identified to address these pressures.

The City's Engineering Services Department requires a contractor to provide civil construction services to construct the following site improvements:

- coordination of the supply of two new weigh scales;
- installation of two new kiosks;
- relocation and expansion of the recycling area;
- electrical services and IT connections to the City's data system;
- site lighting modifications; and
- other related construction services.

The benefits of the project are:

- improved traffic flow and reduced queuing on West Kent Avenue North;
- increased safety and reduced GHG emissions from idling vehicles;
- improved customer service with the receipt of additional materials for recycling;
- decreased illegal dumping around the VSTS; and
- greater operational flexibility to add more materials for recycling as opportunities become available.

This project is expected to take approximately six (6) months, and will be managed by a Project Manager from the City's Real Estate and Facilities Management Department.

The work is timed to be completed during the winter months, as this is the low season for the VSTS and will reduce operational impacts.

Strategic Analysis

The ITT was issued in the accordance with City's Procurement Policy AF-015-01 for the Vancouver Transfer Station Site Improvements. Seven (7) general contractors attended the information meeting held on site as part of the ITT process.

The City received one (1) response from:

Jacob Bros. Construction Inc. \$2,477,491.90

The tender was evaluated through the work of an evaluation team comprised of representatives from Real Estate and Facilities Management, the Engineering Services Department, and Supply Chain Management. Consultation for technical requirements was also done by the City's consultant. The evaluation team determined that the tender submitted by Jacob Bros. Construction Inc. is compliant with the ITT specifications and provides good overall value to the City. Jacob Bros. Construction Inc. a base bid of \$2,477,491.90 (excluding applicable taxes).

The total maximum value of the contract listed in the recommendation includes the base bid price of \$2,477,491.90, plus the addition of alternate priced items not included in the base bid that increases the award recommendation value to \$2,917,997.00 (excluding applicable taxes). The alternate priced items included in the award recommendation are new weigh scales valued at approximately \$400,000.

Jacob Bros. Construction Inc. 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 projects, as well as its satisfactory references. References and available company financial information was checked by Supply Chain Management.

Financial Implications

Finance has reviewed and confirmed that funding is available from the 2015-18 Capital Plan. As a result of the ITT, the City is able to achieve cost certainty for the proposed six (6) month 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 with Jacob Bros. Construction Inc., for the Vancouver South Transfer Station Site Improvements.

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