



## ADMINISTRATIVE REPORT

Report Date: July 6, 2017  
Contact: Nick Kassam  
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RTS No.: 12038  
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Meeting Date: July 26, 2017

TO: Standing Committee on Policy and Strategic Priorities  
FROM: General Manager of Engineering and Chief Purchasing Official  
SUBJECT: Contract Award for engaging a Contractor for the South False Creek Seawall Upgrades

### **RECOMMENDATION**

- A. THAT Council authorize City staff to negotiate to enter into a contract with Jacob Bros. Construction Inc., for upgrades to the South False Creek Seawall, for a term of approximately five months with an estimated contract value of \$3,078,800.00 plus applicable taxes over the term, to be funded through the approved Seaside Greenway - South False Creek project budget.
- B. THAT the Director of Legal Services, the Chief Purchasing Official and the General Manager of Engineering Services be authorized to execute on behalf of the City, the contract contemplated by Recommendation A above.
- 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 Invitation to Tender ("ITT") PS20170957 in May 2017 for invited contractors pre-qualified under the previously held Request for Pre-Qualifications PS20170553, to submit their bids for the construction of improvements on the South False Creek Seawall. The ITT was advertised on the City's 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. The City's Evaluation Committee and, subsequently, the Bid Committee have considered the responses received and, on that basis, recommend that the City enter into a contract 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 proponent.

## REPORT

### Background/Context

In May 2016, Council approved a series of upgrades to the South False Creek Seawall between Burrard Bridge and Cambie Bridge. The upgrades will enhance safety, comfort and capacity for seawall users. A budget of \$9.4 million has been allocated for this work. The upgrades are grouped in seven segments (see map below) and will be built in phases in 2017 and 2018.



Segments 2, 3 and 7 were completed between January and May 2017. Construction has stopped for the summer to allow full public use of the seawall between Victoria Day and Labour Day. Construction will resume in September with City crews completing upgrades in segment 1 and an external contractor building segments 4, 5, and 6 by February 2018.

A two-step tender process was completed to select a preferred contractor. In the first stage, interested parties were invited to respond to a request for prequalifications. Based on submissions received, three general contractors with a high level of expertise in similar projects were shortlisted. In the second stage, an ITT was issued to identify which of the three pre-qualified general contractors offered the lowest construction price while meeting the City's requirements.

### ***Strategic Analysis***

The ITT was issued in the accordance with City's Procurement Policy AF-015-01. The City received responses from the following vendors:

<u>Vendor Name:</u>	<u>Tender Price:</u>
Hall Constructors	\$4,116,097.70
Wilco Civil Inc.	\$3,621,178.00
Jacob Bros.	\$3,075,000.00

The responses were evaluated by representatives from the Project Delivery Branch, Streets and Electrical Design Branch, and Streets, Traffic and Electrical Operations Branch of the Engineering Department as well as a Landscape Architect from the Board of Parks and Recreation, under the stewardship of Supply Chain Management to ascertain if the bids offered good overall value to the City.

The successful contractor submitted the lowest-priced compliant bid. Based on the overall evaluation, the team concluded that the Tender submitted by Jacob Bros. Construction Inc., best met the City's requirements and provided best overall value to the City.

### ***Financial Implications***

Finance has reviewed and confirmed that funding is available from the approved Seaside Greenway - South False Creek project budget. As a result of the ITT, the City is able to achieve cost certainty for the proposed contract.

### ***Sustainability***

Upgrades to protect against sea level rise would require substantial work well beyond the scope of this project. This area is not at immediate risk from sea level rise. A longer-term sea level rise plan being developed for False Creek will identify when flood protection measures will be phased in over the coming decades, prior to the area becoming at risk.

### ***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 an approximate five-month term for the South False Creek Seawall upgrading project.

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