



## CITY OF VANCOUVER

### ADMINISTRATIVE REPORT

Report Date: September 7, 2005  
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CC File No.: 1805  
Meeting Date: October 4, 2005

TO: Vancouver City Council

FROM: General Manager of Engineering Services

SUBJECT: Contract 2005-08 Canoe Creek Sewer Separation Phase II-  
Recommendation for Award

#### RECOMMENDATION

- A. THAT Contract No. 2005-08 (Canoe Creek Sewer Separation Phase II) be awarded to the low bidder meeting the contract requirements, Pedre Contractors Ltd., for a total tender price of \$2,528,258.00 (GST included); with partial funding provided by both the federal and provincial governments under the Canada-British Columbia Infrastructure Program.
- B. THAT the General Manager of Engineering Services, in consultation with the Director of Legal Services, be authorized to enter into a construction services contract with Pedre Contractors Ltd. for Contract No. 2005-08, Canoe Creek Sewer Separation Phase II.
- C. THAT the bid bonds of the unsuccessful tenderers be returned upon execution of the construction services contract.

#### GENERAL MANAGER'S COMMENTS

The General Manager of Engineering Services RECOMMENDS approval of A, B, and C.

#### COUNCIL POLICY

Construction contracts valued over \$300,000 must be awarded by Council.

Contracts are awarded on the basis of best value for the quoted fee.

## **PURPOSE**

This report recommends that Contract 2005-08 (Canoe Creek Sewer Separation Phase II) be awarded to the low bidder, Pedre Contractors Ltd. The contract covers sewer construction and related work generally within the following street locations:

- 15<sup>th</sup> Avenue-from Carolina Street to Fraser Street
- 30<sup>th</sup> Avenue-from Fraser Street to Prince Albert Street
- 33<sup>rd</sup> Avenue-from Elgin Street to Inverness Street
- Inverness Street-from 33<sup>rd</sup> Avenue to 39<sup>th</sup> Avenue
- Sherbrooke Street- from 37<sup>th</sup> Avenue to 41<sup>st</sup> Avenue
- 37<sup>th</sup> Avenue-from Fraser Street to Ross Street

## **DISCUSSION**

In 2002, the City received funding approval for three sewer construction projects under the Canada/British Columbia Infrastructure Program. The three projects are located within the Canoe Creek basin and have a total value of over \$27M. Under the terms of the Infrastructure Program, 1/3 of the funding is provided by the City with the remaining 2/3 coming from senior levels of government. The City's application for financial assistance had been accepted based in part on the environmental benefits provided by accelerating the replacement of the existing combined sewer system with separate sanitary and storm systems. The City's 1/3 share of the funding has been provided under the main sewer replacement capital budget.

The City's approach to undertake the Infrastructure projects has been to use City crews for the majority of the construction, and to supplement it with some work contracted out to the private sector.

The contract documents and detailed designs for the sewers listed above were prepared by Engineering Services staff. The work will be administered under a lump sum/unit price construction services contract. Three bidders submitted complete tender packages, including bonding requirements. A summary of the bids received is as detailed in the following Table 1.

<b>Table 1 - Contract 2005-08 Bid Summary</b>		
<b>Rank</b>	<b>Contractor</b>	<b>Bid Price</b>
1	Pedre Contractors Ltd.	\$2,528,258.00
2	Sandpiper Contracting Ltd.	\$3,316,270.20
3	B. Cusano Contracting Ltd.	\$3,952,000.00

All prices listed above include the Goods and Services tax. The low tender contractor, Pedre Contractors Ltd. has successfully completed many similar projects within the Lower Mainland including the previous Canoe Creek Sewer Separation Phase I for the City.

### **FINANCIAL IMPLICATIONS**

Partial funds (2/3) for this project are available from the federal and provincial governments as part of the Canada/British Columbia Infrastructure Program. The remaining funds are available from the approved 2005 City Sewers Capital Program budget. The financial implication to the City can be represented as follows:

Contract Value	\$2,528,258.00
Infrastructure Share (66%)	\$1,668,650.00
Net City Cost	\$859,608.00

The final cost of the contract will vary from the bid price as the estimated quantities of work for unit price items may be different from the actual quantity of work.

### **CONCLUSIONS**

As the low bid for the contract is in line with the Engineer's preliminary contract estimate, staff recommend that Pedre Contractors Ltd. be awarded Contract 2005-08 Canoe Creek Sewer Separation Phase II.

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