



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: April 18, 2007
Author: Nataalka Lubiw
Phone No.: 604.871.6329
RTS No.: 6706
VanRIMS No.: 03-1200-11
Meeting Date: May 1, 2007

TO: Vancouver City Council

FROM: Director, Facilities Design and Management in consultation with Director, Civic Theatres

SUBJECT: Queen Elizabeth Theatre Redevelopment - Audience Chamber Phase 1 - Award of Construction Contract

RECOMMENDATION

- A. THAT, subject to the conditions set out in Recommendations B, C and D, the General Manager of Corporate Services be authorized to enter into a contract with Heatherbrae Builders Co. Ltd. ("Heatherbrae") for the Queen Elizabeth Theatre Redevelopment - Audience Chamber Phase 1 at an estimated cost of \$12,685,000 (plus applicable taxes), with funding to be provided by the Queen Elizabeth Theatre Redevelopment Capital Budget.
- B. THAT the Director of Legal Services be authorized to execute and deliver on behalf of Corporate Services all legal documents required to implement Recommendation A.
- C. THAT all such legal documents be on terms and conditions satisfactory to the General Manager of Corporate Services and the Director of Legal Services.
- D. THAT no legal rights or obligations will be created or arise by Council's adoption of Recommendations A, B and C above unless and until such legal documents are executed and delivered by the Director of Legal Services.

GENERAL MANAGER'S COMMENTS

The General Managers of Corporate Services and Community Services RECOMMEND approval of the foregoing.

COUNCIL POLICY

- Council approval is required for the award of any construction contract with a value over \$300,000.
- Contracts are to be awarded on the basis of best value for the City.

PURPOSE

The Director of Facilities Design and Management and Director of Civic Theatres are requesting approval for the award of a construction contract for the Queen Elizabeth Theatre ("QET") Redevelopment - Audience Chamber Phase 1, funding to be provided from the Queen Elizabeth Theatre Redevelopment Capital Budget as previously approved by Council.

BACKGROUND

The QET Redevelopment project has been carefully planned and scheduled during dark periods from the start of May to the start of November in 2006, 2007 and 2008. The first phase, the Vancouver Playhouse / Queen Elizabeth Theatre Acoustic Separation, was completed between May and November of 2006. The project was successful in achieving its objective of eliminating sound transference between the two adjoining theatres such that rock concerts can for the first time be presented in the QET without interfering with plays or recitals in the Playhouse. The project was completed on time and on budget.

The Audience Chamber Phase 1 work (the "Project") is the second phase of the larger QET Redevelopment project. This project consists of demolition, architectural, structural, mechanical and electrical work associated with the removal of the existing audience chamber ceiling and systems, the installation of new mechanical and electrical systems, infrastructure for new theatre systems, and architectural and structural renovations, including roof truss upgrading, acoustical interventions, and new catwalks, bulkheads, and upper level finishes.

Undertaking this Project in summer 2007 is crucial to maintaining the critical path of the overall QET Redevelopment schedule and completing the work in time for the 2010 Winter Olympics Arts Festival.

The Audience Chamber Phase 2 work scheduled for construction during the summer of 2008 will include balcony, side box, and seating reconfiguration, acoustical interventions, new finishes, and dressing room, washroom, and lobby renovations.

DISCUSSION

From an open invitation to general contractors to submit requests for prequalification, eight contractors were prequalified to submit tenders for the Project. Of the eight prequalified firms, four firms undertook to submit completed tenders.

Following a formal tender process, four tenders were received on April 12, 2007 and opened in public. Although four bids were received, following analysis by Facilities, Legal, and Civic Theatres staff, two were disqualified because they were materially non-compliant. The materially compliant bids are summarized as follows:

Bidder	Tender Price (exclusive of GST)	Separate Prices ¹ (exclusive of GST)	Total Price (exclusive of GST)
Heatherbrae Builders Co. Ltd.	\$11,500,000	\$1,185,000	\$12,685,000
Kenaidan Contracting Ltd.	\$12,667,000	\$1,346,000	\$14,013,000

1. Separate Prices were requested to identify costs for portions of the work that may for various reasons have to be deferred to Phase 2.

On the basis of best value to the City, staff recommend that the contract be awarded to Heatherbrae, the lowest compliant bidder, in the amount of \$12,685,000 (plus applicable taxes).

All tenderers have been advised of these recommendations.

FINANCIAL IMPLICATIONS

Funding for this Project is to be provided from the Queen Elizabeth Theatre Redevelopment Capital Budget approved by Council on October 30, 2006.

CONCLUSION

Following an open call for prequalification and a public tender process, two compliant bids were received and following analysis, the Director of Facilities Design and Management and Director of Civic Theatres recommend that the General Manager of Corporate Services be authorized to enter into a contract with Heatherbrae Builders Co. Ltd., the lowest compliant bidder, for the Queen Elizabeth Theatre Redevelopment - Audience Chamber Phase 1 work at an estimated cost of \$12,685,000 (plus applicable taxes), with funding to be provided from the Queen Elizabeth Theatre Redevelopment Capital Budget as previously approved by Council.

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