



CITY OF VANCOUVER

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ADMINISTRATIVE REPORT

A7

Report Date: May 13, 2008
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RTS No.: 05643
VanRIMS No.: 03-1200-30
Meeting Date: May 27, 2008

TO: Vancouver City Council

FROM: General Manager of Engineering Services

SUBJECT: Award of Contract 2007-03 for Construction of the Central Valley Greenway Sections 1&2, and Award of Contract 2006-06 for Construction of the Central Valley Greenway Section 3.

RECOMMENDATIONS

- A. THAT, subject to the conditions set out in Recommendations C, D, E and F the General Manager of Engineering Services be authorized to enter into a contract with Imperial Paving Ltd. for Sections 1&2 of the Central Valley Greenway between Quebec Street and Commercial Drive along 1st Avenue, Prince Edward Street, Great Northern Way, Clark Drive and Grandview Highway North, at an estimated cost of \$3,755,134.54 plus applicable taxes, source of funding to be the approved Capital Budget for the Central Valley Greenway.
- B. THAT, subject to the conditions set out in Recommendations C, D, E and F the General Manager of Engineering Services be authorized to enter into a contract with C.A.P. Ventures Ltd. for the construction of Section 3 of the Central Valley Greenway between Slocan Street and Boundary Road at an estimated cost of \$2,540,000.00 plus applicable taxes, source of funding to be the approved Capital Budget for the Central Valley Greenway.
- C. THAT the Director of Legal Services be authorized to execute and deliver on behalf of the City all legal documents required to implement Recommendations A and B.
- D. THAT all such legal documents be on terms and conditions satisfactory to the General Manager of Engineering Services and the Director of Legal Services.

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- E. THAT no legal rights or obligations will be created or arise by Council's adoption of Recommendations A, B, C and D above unless and until such legal documents are executed and delivered by the Director of Legal Services.
 - F. THAT all approvals given for all other Recommendations made above in this report are subject to, and that the award of contract described in Recommendations A and B above is to be made explicitly subject to, the condition that TransLink provides additional funding for the Project.

CITY MANAGER'S COMMENTS

The City Manager recommends approval of A to F: award of Contract 2007-03 for construction of the Central Valley Greenway Sections 1&2, and award of Contract 2006-06 for construction of the Central Valley Greenway Section 3.

COUNCIL POLICY

Contracts with a value over \$300,000 are referred to Council for approval.

The policy of Council is to award contracts for the purchase of equipment, supplies and services that will give the best value based on quality, service and price.

On February 24, 2004 Council approved \$4.63 million for the Federal Government's Urban Transportation Showcase Program, including \$2.13 million for the design and construction of the Central Valley Greenway.

On December 15, 2005 Council approved the detailed design for Section 1 of the Central Valley Greenway.

On April 18, 2006 Council approved the detailed design for Section 2 and Section 3 of the Central Valley Greenway.

On May 15, 2008 Council approved the reallocation of \$2.1 million in the Streets Capital Program to provide additional funding to the Central Valley Greenway Project.

PURPOSE

This report seeks authorization to award the contracts for the construction of Sections 1&2, and Section 3 of the Central Valley Greenway subject to the condition that TransLink provides additional funding for the Project.

BACKGROUND

The Central Valley Greenway is one of six projects approved by Council as part of the Urban Transportation Showcase Program. The project is being constructed in partnership with TransLink and Transport Canada, and has been sub-divided into Sections 1&2 and Section 3 for

the purpose of construction. Section 1&2 of the Greenway extends from Quebec Street to Commercial Drive following 1st Avenue, Prince Edward Street, Great Northern Way, Clark Drive and Grandview Highway North. Section 3 of the Greenway extends from Slocan Street to Boundary Road and is located primarily along the Millennium SkyTrain corridor.

The original estimate for this project was \$6.765M, which includes contributions from Translink and Transport Canada. Table 1 provides an overview of the Urban Transportation Showcase Program funding approved by Council in 2004.

Table 1: Urban Transportation Showcase Program Funding 2004

Funding Partner	Share of Capital Funding
City of Vancouver	\$2.13 million (31%)
TransLink	\$2.76 million (41%)
Transport Canada	\$1.875 million (28%)
Total Project Budget	\$6.765 million

The current estimate is just over \$10M, resulting in a shortfall of approximately \$3.3M. The majority of the shortfall can be attributed to construction cost escalations.

The 2008 Engineering Basic Capital Budget & Closeouts Report (RTS#7204) approved by Council on May 15, 2008, addressed the funding shortfall for the City's portion of this project through capital redistributions of \$2.1M within the Streets Capital program. In order to construct the project to its approved scope, TransLink has agreed to provide \$1.258M in addition to its contribution under the Urban Transportation Showcase Agreement (pending approval of the Translink Extended Executive). This additional funding is required for the project as a whole, including the award of the contracts recommended in this report, applicable overhead, inspections and contingency, and work that will be carried out by City crews.

DISCUSSION

The Award of Contract 2007-03 for Construction of Sections 1&2

The project description and scope for Section 1 of the Project was approved at the Standing Committee of Council on Planning and Environment on December 15, 2005, and for Section 2 of the Project at the Standing Committee of Council on Traffic and Transportation on April 18, 2006. On March 5, 2008, the Greenways and Neighbourhood Transportation Branch issued an invitation to tender for the construction of the Central Valley Greenway Sections 1&2, Contract 2007-03, and an Information Meeting for tenderers was held on April 1, 2008.

The tenders received were opened on April 11, 2008 and referred to the General Manager of Engineering Services for evaluation. Tenders were received from three bidders. Prices listed in Table 2 exclude applicable taxes and are based on a lump sum for the preparation and construction of the Greenway as specified in the tender.

Table 2: Tender Pricing Contract 2007-03

Proponent	Tender Price
Bidder 1	3,797,268.00
Bidder 2	3,755,134.54
Bidder 3	3,802,743.86

The bid from Bidder 2, Imperial Paving Ltd., meets the specifications, is the low bid, and represents best value. This bid is recommended for the tender award for Contract 2007-03.

The Award of Contract 2006-06 for Construction of Section 3

The Greenways and Neighbourhood Transportation Branch issued a tender for the construction of the Central Valley Greenway Section 3, Contract 2006-06 on March 5, 2008, and an Information Meeting for tenderers was held on April 1, 2008.

The tenders received were opened on April 11, 2008 and referred to the General Manager of Engineering Services for evaluation. Tenders were received from four bidders. Prices listed in Table 3 exclude applicable taxes and are based on a lump sum for the preparation and construction of the Greenway as specified in the tender.

Table 3: Tender Pricing Contract 2006-06

Proponent	Tender Price
Bidder 1	2,540,000.00
Bidder 2	2,684,800.00
Bidder 3	3,156,053.00
Bidder 4	2,619,724.04

The bid from Bidder 1, C.A.P. Ventures Ltd., meets the specifications, is low bid, and represents best value. This bid is recommended for the tender award for Contract 2006-06.

FINANCIAL IMPLICATIONS

The original estimate for the project was \$6.765M and the current estimate is just over \$10M. To address the \$3.3M funding shortfall, the 2008 Engineering Basic Capital Budget & Closeouts Report (RTS#7204), approved by Council on May 15, 2008, recommended capital redistributions of \$2.1M within the Streets Capital program. TransLink has agreed to provide \$1.258M in addition to its contribution under the Urban Transportation Showcase Agreement (pending approval of the Translink Extended Executive). This additional funding is required for the project as a whole, including the award of the contracts recommended in this report, applicable overhead, inspections and contingency, and work that will be carried out by City crews.

The contract award for construction of Sections 1&2 and Section 3 of the Central Valley Greenway for \$3,755,134.54 and \$2,540,000.00 respectively (plus applicable taxes) will be funded from the approved Capital Budget for the project, and are subject to the approval of additional funding by TransLink. Inspection and overhead charges are in addition to the contract award.

ENVIRONMENTAL AND SOCIAL IMPLICATIONS

The Urban Transportation Showcase Program is a key component of the Federal Government's *Action Plan of Climate Change*. The program calls for the creation of community showcase programs to demonstrate and evaluate ways of reducing greenhouse emissions from transportation and to address other urban challenges, such as, congestion and air quality. The Central Valley Greenway addresses these challenges by providing alternate non-motorized ways for people to travel around the city to work, shop, and recreate. The Greenway provides places for people to meet and socialize, improves air quality and provides wildlife habitat through increased plant diversity.

CONCLUSION

Construction of Sections 1&2, and Section 3 of the Central Valley Greenway is the next step in developing a regional greenway system through the region's designated Growth Concentration Area. Based on the directive of the Council approved Vancouver Greenways Plan and the support of residents for this design, staff recommend that Contract 2007-03 for construction of Sections 1&2 of the Central Valley Greenway be awarded to Imperial Paving Ltd, and that Contract 2006-06 for construction of Section 3 of the Central Valley Greenway be awarded to C.A.P. Ventures Ltd.

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