

LATE DISTRIBUTION
For CS&B Committee - October 30, 2008

Supports Item No. 1
CS&B Committee Agenda
October 30, 2008



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: October 15, 2008
Contact: Andreea C. Toma
Contact No.: 604.873.7687
RTS No.: 07465
VanRIMS No.: 08-2000-20
Meeting Date: October 30, 2008

TO: Standing Committee on City Services and Budgets
FROM: General Manager of Engineering Services
SUBJECT: Award of Contract ITT 08098 - Granville Street Reconstruction

RECOMMENDATION

- A. THAT subject to the conditions set out in Recommendations B, C and D, the General Manager of Engineering Services be authorized to enter into a contract with Jacob Bros. Construction Ltd. for the construction of civil works on Granville Street from Drake Street to Cordova Street at an estimated value of \$15,872,535.00 plus the applicable 5% Goods and Services Tax (less any municipal rebate received) with funding provided from the 2006-2008 Streets Basic Capital Budgets for the Granville Street Reconstruction.
- B. THAT the Director of Legal Services be authorized to execute and deliver on behalf of the City 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 Engineering 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 Manager of Engineering Services RECOMMENDS approval of recommendations A through D.

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 highest value based on quality, service and price.

On April 22nd, 2008 Council approved the final design details for Granville Street between Drake Street and Cordova Street with an estimated funding of \$20.8 million secured through a continued 50/50 cost-share agreement with Translink.

PURPOSE

This report seeks authorization to award the contract for the civil works on Vancouver's downtown Granville Street based on the final design details for updating the public realm and creating a "Great Street".

DISCUSSION

The Purchasing Services issued a tender for the reconstruction of downtown Granville Street to the "Great Street" final design approved by Council, including all roadway, curbs, gutters and sidewalks as part of the civil works.

The invitation to Tender (ITT PS08098) was posted on BC Bid and the City's website on Wednesday, September 17, 2008. The tenders were opened in public on Wednesday, October 15, 2008. Tenders were received from four bidders: Columbia Bitulithic (a Division of Lafarge Canada Inc.), Imperial Paving Ltd., Jacob Bros. Construction Ltd. and Wilco Landscape Westcoast Inc.

Staff undertook an evaluation of all four of the received bids. Staff recommend that, based on the best value for the City, that item 127 from the estimated quantities of the contract (Supply & place Basalt stone paving with mortar - 300mm & 450mm widths - sourced from a British Columbia quarry) be substituted with provisional item 16 (Supply & place Basalt stone paving with mortar - 300mm & 450mm widths - without polished bands, sourced from any other source) for the tender award. The bid prices for all four bids were then adjusted based on the prices for this item provided by the bidders and these adjusted bid values were then used in the evaluation process.

The prices listed below in Table 1 are based on unit rates with estimated quantities for the work specified in the contract and include the above noted adjustments. The 5% Goods and Services Tax (less any municipal rebate received) is in addition to all the prices shown below. The contractor will be paid for the actual quantities of items constructed, whether they are more or less than the amount estimated.

TABLE 1: Tender Pricing (Adjusted and excluding GST)

PROPONENT	TENDER PRICE
Jacob Bros. Construction Ltd.	\$15,872,535.00
Columbia Bitulithic	\$20,638,000.00
Wilco Landscape Westcoast Inc.	\$20,874,597.10
Imperial Paving Ltd.	\$23,588,777.00

Schedule

Granville Street is a key linkage in the City's transit system with SkyTrain stations to the Millennium and Expo Lines and future Canada Line. The time line for completion of this contract is November 2009 in order to return the transit trolley buses to the street to service existing and new Canada Line stations that are programmed to open to the public November 2009.

Evaluation

The tender packages were evaluated by Purchasing, Law and Engineering departments measuring demonstrated ability, qualifications and experience of each proponent, proposed methodology, available resources and schedule, references and best value to the City based on quality, service and price.

Based on the review of the four tenders, the submission provided by Jacob Bros. Construction Ltd. emerged as the strongest tender, meets specifications and provides the best overall value to the City. This bid is recommended for tender award.

FINANCIAL IMPLICATIONS

The 2006-08 Capital Budgets provide a total of \$20.8 Million for the reconstruction of Granville Street, which includes 50/50 cost sharing recoveries from Translink.

The estimated value of the contract is higher than the Engineer's estimate for this work, however this figure for these civil works is still within the contingency provisions provided within the overall budget for the project.

The estimated value (not including the 5% Goods and Services Tax) of the civil works for the contract with Jacob Bros. Construction Ltd. is \$15,872,535.00 excluding internal overhead charges. Actual costs will be paid based on the quantities of items constructed and depending on field conditions, may be higher or lower than the estimated value of the contract award. Any additional costs will be funded within existing project funding limits.

CONCLUSION

Following a public procurement process and evaluation of the tenders submitted for the civil works on Granville Street in Vancouver's downtown core, the General Manager of Engineering Services recommends that Jacob Bros. Construction Ltd. be retained for this work.

* * * * *