

#### ADMINISTRATIVE REPORT

Report Date: December 20, 2012

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RTS No.: 9902

VanRIMS No.: 08-2000-20

Meeting Date: December 21, 2012

TO: Vancouver City Council

FROM: General Manager, Engineering Services, and Chief Purchasing Official

SUBJECT: Contract Award for Granville Bridge Bearing and Expansion Joint

Replacement

#### **RECOMMENDATION**

- A. THAT Council authorize City staff to enter into a contract with Graham Construction and Engineering a JV for the replacement of bearings and expansion joints at the Granville Bridge at a total cost of \$5,633,200 (\$5,238,000.00 for mandatory work, plus \$395,200.00 for Optional Work) plus applicable taxes with funding to be provided from the approved (2012-14 Granville Bridge Bearing Replacement program) Capital Budget Council Report RTS No. 9454); subject to the terms and conditions satisfactory to the General Manager, Engineering Services, the Director of Legal Services and the Chief Purchasing Official.
- 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 no legal rights or obligations will be created by Council's adoption of Recommendations A and B above unless and until such legal documents are executed and delivered by the Director of Legal Services.

#### REPORT SUMMARY

This project for the replacement of bearings and expansion joints at the Granville Bridge was approved in the 2012 and 2013 Capital budgets (Capital Budget Council Report RTS No. 9454. Design was done in 2012 and construction is to be done in 2013.

## COUNCIL AUTHORITY/PREVIOUS DECISIONS

The City's Procurement Policy provides that Council is to award contracts for the purchase of equipment, supplies and services that will provide the highest value to the City, based on quality, service and price. Contracts with a value over \$2 million are referred to Council for approval.

## CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

This recommendation has been reviewed and supported by the City's Bid Committee.

## **REPORT**

## Background/Context

The work associated with this project includes

- 1. Decontamination and disposal of PCB contaminants to comply with Federal Regulations
- 2. Removal and replacement of contaminated bearings with seismic isolation bearings at 7 pier locations this will not only allow us to comply with environmental regulations but will also enhance the seismic resilience of the bridge.
- 3. Replacement of 11 expansion joints in the bridge deck.

Undertaking items 1 and 2 requires work on and above Granville Island. Staff and the Granville Island Trust have agreed to the following timeframes to perform the work so as not to disrupt commercial and retail activity during critical seasons at Granville Island.

- January 3, 2013 May 31, 2013 and
- October 1, 2013 Dec 13, 2013.

There are two timing issues which make it necessary to make the direct award of the bid as soon as possible - first, the timeframe outlined by Granville Island to protect their commercial/retail activity is very tight. Secondly, the bearings needed for the project are specialized and have a 3 month minimum procurement timeline for delivery (the contractor will be ordering the bearings). As it stands, given the impacts to Granville Island, work will be scheduled such that critical corridors on Granville Island are completed first. Staff will work with the Contractor and Granville Island to define critical milestones to ensure timeframes are met and disruption to Granville Island is minimized. Early award ensures this is achievable. By making the award this week, we will be adding more than a month of working time for the contractor and in particular, it will allow the procurement of the bearings to begin immediately.

Thus, early award of this contract mitigates scheduling risk by

- allowing the Project Team to issue a Notice of Award 4+ weeks earlier than what would happen if we wait until the next regular meeting of Council - this will mitigate the risk to merchants and businesses on Granville Island (4 weeks equates to 20% of the first work timeframe)
- allowing the Contractor to begin procuring materials, some of which have a three month lead time.

# Strategic Analysis

The tender for the work has been called in accordance with the terms and conditions of the Procurement Policy. All tenderers were prequalified prior to the issuance of the Invitation to Tender.

B&B Heavy Civil Construction Ltd.	\$ 6,378,718.49
Graham Construction & Engineering, a JV	\$ 5,238,000.00
JJM Construction Ltd	\$ 7,168,575.00
Kenaidan Contracting Ltd.	\$ 8,446,480.00
Kingston Construction Ltd	\$ 5,998,533.25
Surespan Construction Ltd	\$ 6,732,496.43
Westpro Infrastructure Ltd.	\$ 7,107,605.00

## Financial

Engineering and Corporate Budgets have reviewed the financing for the work and concur that funding is available from the approved capital 2012-14 Granville Bridge Bearing Replacement program budget WBS CEB-00019 as per Council Report RTS No. 9454, dated February 14, 2012.

## CONCLUSION

In summary, Graham's bid being the lowest bid was checked for compliance by Supply Management, Engineering Services, and Legal Services and is recommended for the contract award by the General Manager, Engineering Services, and Chief Purchasing Official.

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