



ADMINISTRATIVE REPORT

Report Date: November 20, 2013
Contact: Nick Kassam
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RTS No.: 10273
VanRIMS No.: 08-2000-20
Meeting Date: December 4, 2013

TO: Standing Committee on Planning, Transportation and Environment

FROM: General Manager, Real Estate and Facilities Management, and Chief Purchasing Official

SUBJECT: Construction Contract Award for Taylor Manor Supportive Housing Development

RECOMMENDATION

- A. THAT Council authorize City staff to negotiate, to the satisfaction of the City's General Manager of Real Estate and Facilities Management, Director of Legal Services, Director of Finance, and Chief Purchasing Official, and enter into a fixed-price construction contract with Heatherbrae Builders Co. Ltd. ("Heatherbrae"), for the complete and final construction services of the Taylor Manor Supportive Housing Redevelopment Project with a contract value of \$8,480,702.47 plus applicable taxes, to be funded from the approved Capital Project Budget for Taylor Manor Redevelopment.
- B. THAT the Director of Legal Services be authorized to execute on behalf of the City the contract contemplated by Recommendation A above.
- C. THAT no legal rights or obligations will be created by Council's adoption of Recommendations A and B above unless and until such contract is executed by the Director of Legal Services.

REPORT SUMMARY

The redevelopment of Taylor Manor was included in the 2012 and 2013 Capital Budgets and is a \$14.5 million project to provide a supportive housing facility. The work proposed in this contract is for the final phase of work to complete the redevelopment.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The City's Procurement Policy requires that contracts with values over \$2 million must be approved by Council following review and recommendation by the Bid Committee.

Bid Committee has considered and approved the contract with Heatherbrae.

REPORT

Background/Context

Taylor Manor is a City-owned, heritage Class "B" designated, Tudor Revival style building. It was originally constructed in 1915 and previously functioned as a long term care facility. The existing two -story wood frame and partial concrete basement structure has remained largely vacant since 2000 with the exception of periodic short-term rentals to the film industry.

The proposed design incorporates the existing heritage building accommodating approximately 17 dwelling units plus other programmatic requirements with a new annex building housing 39 units for a combined total of 56 supportive housing units. Housing units will be standard, studio type apartments which include a bathroom and kitchenette.

The project includes the retention of a majority of the existing heritage exterior and interior elements and the addition of a new annex to the west of the existing building creating a large, secure, central courtyard for user activities.

Strategic Analysis

The City issued a Request for Proposals PS20120986 ("RFP") in October 2012 for construction management services for the Taylor Manor Supportive Housing Redevelopment Project. City staff on the RFP evaluation committee, and subsequently the Bid Committee, considered the proposals received and on that basis in March 2013 recommended that Heatherbrae be awarded the contract for construction management services. The RFP was issued to select a construction manager to provide pre-construction services including cost-estimating and obtaining trade bids for eventual construction, and to potentially act as the contractor for the project or parts of the project.

In April 2013, the City requested Heatherbrae to obtain bids from the City's prequalified hazardous abatement contractors to remove all hazardous materials from the site (Phase 1). This work was approved by Real Estate and Facilities Management and Supply Chain Management following standard procurement policy.

In June 2013, the City requested Heatherbrae to obtain bids from subtrades for the demolition, excavation, foundation, carpentry and framing work (collectively "Phase 2") and to present a recommendation to City Staff for the subtrades or own-forces work. The Heatherbrae invitation to tender for Phase 2 was published on the City website and on BC Bid. Multiple bids for each sub-trade were received and assessed as part of the procurement process. This work was presented to Council and approved in RTS 10208 in June 2013.

In August 2013, the City requested Heatherbrae to obtain bids from subtrades for the complete and final construction (Phase 3) of the rehabilitated and new structures, and to present a recommendation to City Staff for the subtrades or own-forces work.

The Heatherbrae invitation to tender for Phase 3 was published on the City website and on BC Bid. Multiple bids for each sub-trade were received and assessed as part of the procurement process.

Heatherbrae, the City's Architect (Merrick Architecture, Borowski Sakumoto Fligg Limited) and City staff evaluated all the sub-trade submissions for Phase 3 based on price, value, experience and past performance and finalized the selections. Thereafter, Heatherbrae

submitted a letter to the City with the submissions and its recommendation for award to the lowest qualified bidders.

City staff concurs with the recommendation letter and seek approval of award of a contract to Heatherbrae, under which it would engage the selected sub-trades as Heatherbrae's subcontractors for the final and complete construction works (Phase 3).

As contemplated by the original RFP and based on Heatherbrae's performance of pre-construction services, its knowledge of the site, and the aggressive timelines for the project, City staff now recommends entry into a contract with Heatherbrae for the complete and final construction work (Phase 3).

Implications/Related Issues/Risk

Financial

A total of \$14.5 million was approved in 2012 and 2013 capital budgets for the Taylor Manor Redevelopment Project. The contract approval recommended in this report consists of the complete and final contract work for a total of \$8,480,702.47, which brings the total estimate for all phases of construction work to \$11.4 million.

Real Estate & Facilities Management (REFM) and Corporate Budgets have reviewed the financing for the work and concur that funding is available from the approved capital project budget for Taylor Manor Redevelopment.

Environmental

The new annex to be constructed west of the existing building will meet LEED Gold certification.

Community Consultation

The project has been presented to the local community through a Rezoning Application Process, open houses and on the City's website. Construction activity is being coordinated with operations of the adjacent Adanac Park Lodge.

CONCLUSION

City Staff recommend that the City of Vancouver negotiate and enter into a fixed-price construction contract with Heatherbrae Builders Co. Ltd. for the complete and final construction services of the Taylor Manor Supportive Housing Redevelopment Project with a contract value of \$8,480,702.47 plus applicable taxes.

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