



COUNCIL REPORT

Report Date: September 5, 2023
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Meeting Date: October 4, 2023
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TO: Standing Committee on Policy and Strategic Priorities

FROM: General Manager of Real Estate, Environment and Facilities Management and Chief Procurement Officer

SUBJECT: Contract Award for Construction Services for Sunset Nursery and Operation Yard Stage 1 – Operations Centre Building

Recommendations

- A. THAT Council authorize City staff to enter into a contract with Pro-Can Construction Group Corp. for Construction Services for Sunset Nursery and Operation Yard Stage 1 – Operations Centre Building, for a term of approximately 24 months, with an estimated contract value of \$12,424,217.40 including applicable taxes over the 24-month term, to be funded through approved REFM Capital Budget for the Sunset Nursery and Operation Yard Stage 1 – Operations Centre Building.
- B. THAT the Director of Legal Services, Chief Procurement Officer and General Manager of Real Estate, Environment and Facilities Development be authorized to execute on behalf of the City the contract contemplated by 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 contract is executed by the authorized signatories of the City as set out in these Recommendations.

Purpose and Executive Summary

The City issued Invitation to Tender (ITT) No. PS20230438-REFM-ITT – Construction Services for Sunset Nursery and Operation Yard Stage 1 – Operations Centre Building on June 20, 2023 for the Sunset Nursery and Operation Yard and Centre Building. The ITT was advertised on the City of Vancouver website, and the work was called in accordance with the terms and conditions of the City's Procurement Policy ADMIN-008. City staff on the ITT evaluation committee and, subsequently, the Bid Committee have considered the responses received and, on that basis,

recommend that the City enter into a contract as described above with Pro-Can Construction Group Corp.

Council Authority/Previous Decisions

The City's Procurement Policy ADMIN-008 requires that contracts with values over \$2 million must be approved by Council following review and recommendations by the Bid Committee. The Bid Committee has considered and recommended Pro-Can Construction Group Corp as the successful Bidder.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

The Sunset Nursery and Operations Yard, located on 290 East 51 Avenue, currently serves as the planting nursery that supplies plantings for all of City of Vancouver parks and facilities and serves as a base of operations for Parks Maintenance and Urban Forestry staff.

As part of the yard redevelopment a new, 1,340 square metres (14,400 square feet), two storey "Sunset Operations Centre Building" will be constructed on site. The ground floor of the new building will be universal change facilities for the yard staff. The second floor will composed of administrative and support areas.

Sunset Nursery and Yard is currently one of the oldest works yard in the City, officially established back in 1953. The original yard was meant to house the horticulture nursery and equipment and was not meant to be assigned with permanent staff.

As the City grew more and more, staff was assigned to the Yard in "temporary" structures and ad hoc refits. In 1984, former stables were converted into sub-standard offices that are still in use today. In 1992, "temporary" trailers were put into the yard to provide more offices and change rooms which are also still in use today.

As a result, Sunset Yard currently has one of the worst working environments for Park Board staff with inadequate offices, washrooms, changes rooms, and staff amenities. The current yard also cannot accommodate anymore future growth without major redevelopments to meet all of the health and safety requirements.

Sunset Operations Centre Building will provide a modern, code compliant facilities for the current staff, but will also accommodate future staff growth for the foreseeable future.

The new "Sunset Operations Centre Building" will also be constructed to meet the following sustainability objectives:

- a) Passive House Certification
- b) LEED Gold (New Construction) Certification
- c) Eliminate fossil fuel use on site.
- d) 40% embodied carbon reduction of building materials.

The purpose of the Invitation to Tender was to identify contractors with demonstrated capability to meet the City’s requirements for this project at competitive pricing.

Discussion

The ITT was issued in accordance with the City’s Procurement Policy ADMIN-008. The City received tenders from five tenderers:

Tenderer Name	Bid Price (taxes included)
• Canadian Turner Construction	\$13,860,081.03
• Etro Construction Limited	\$12,822,451.88
• Kenaidan Contraction Ltd.	\$13,158,401.55
• Pomerleau Inc.	\$18,404,977.50
• Pro-Can Construction Group Corp.	\$12,424,217.40

The tenders were evaluated through the work of an evaluation team comprised of representatives from Real Estate and Facilities Management staff and Supply Chain Management with support from Legal Services. The evaluation team determined that the tender submitted by Pro-Can Construction Group Corp. is compliant with the Invitation to Tender requirements and provides best overall value to the City. Pro-Can Construction submitted the lowest priced qualified bid at a tender price of \$12,424,217.40 (all applicable taxes included).

Pro-Can Construction Group Corp. is qualified to perform the work required for the project as set out in the tender package based on the successful completion of multiple large construction projects in the past as well as excellent references.

Based on the overall evaluation, the team concluded that the bid submission submitted by Pro-Can Construction Group Corp. best met the City’s requirements and provided best overall value to the City.

Financial Implications

Finance has reviewed and confirmed that funding is provided through the REFM Capital Budget for the Sunset Nursery and Operation Yard and Centre Building. As a result of the Invitation to Tender, the City is able to achieve cost certainty for the project.

Legal Implications

The City’s Procurement Policy requires that all contracts that have been awarded by Bid Committee and Council will be signed by the Director of Legal Services.

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