



CITY OF VANCOUVER

A18

ADMINISTRATIVE REPORT

Report Date: October 14, 2008  
Contact: Dale Bracewell  
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VanRIMS No.: 08-2000-20  
Meeting Date: October 28, 2008

TO: Vancouver City Council

FROM: General Manager of Engineering Services

SUBJECT: Award of Contracts - Downtown Historic Railway (DHR) Infrastructure Upgrades - Trackwork and Power Systems

**RECOMMENDATION**

- A. THAT, subject to the conditions set out in Recommendations C, D and E, the General Manager of Engineering Services be authorized to enter into a contract with PNR RailWorks Inc. for the installation of trackwork as part of the Downtown Historic Railway (DHR) upgrades at an estimated cost of \$3,696,319 including GST; source of funds to be the 2008 Streets Capital Budget.
- B. THAT, subject to the conditions set out in Recommendations C, D and E, the General Manager of Engineering Services be authorized to enter into a contract with Mott Electric GP for the supply and installation of power systems as part of the DHR upgrades at an estimated cost of \$1,463,700 including GST; source of funds to be the 2008 Streets Capital Budget.
- 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, Manager of Materials Management, and the Director of Legal Services.
- E. THAT, no legal rights or obligations will be created by Council's adoption of Recommendation A, B, C or D above unless and until such legal documents are executed and delivered by the Director of Legal Services.

***CITY MANAGER'S COMMENTS***

The City Manager recommends approval of A, B, C, D and E.

***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.

***PURPOSE***

This report seeks authorization to award two contracts: one for the replacement of the existing trackwork in the Downtown Historic Railway (DHR) corridor from Granville Island to the 2<sup>nd</sup> Avenue Canada Line Station and another to upgrade the associated power systems.

***DISCUSSION***

On March 11, 2008 Council approved the replacement of the single-track infrastructure between Granville Island and the 2<sup>nd</sup> Avenue Canada Line Station to allow for continued operation of the DHR. Council also directed staff to pursue opportunities for a demonstration of modern streetcar equipment and infrastructure for the 2010 Olympic and Paralympic Winter Games.

The Invitation to Tender for Contract PS 08140 (Installation of Trackwork) was posted on September 11, 2008. The tenders were opened on October 4, 2008 and referred to the General Manager of Engineering Services for evaluation in consultation with Purchasing staff. Tenders were received from two bidders. Prices listed in Table 1 include GST and are based on a combination of lump sum and unit rates as well as the estimated quantities for the items specified in the tender.

**Table 1: Tender Pricing - Trackwork Installation (including GST)**

<b>Proponent</b>	<b>Tender Price</b>
Bidder #1	\$ 3,696,319.20
Bidder #2	\$ 3,857,101.50

The submission from Bidder #1 meets specifications, is low bid, and is within the engineer's estimate. This bid, from PNR RailWorks Inc., is recommended for tender award.

The Invitation to Tender for Contract PS 08153 (Installation of Power Systems) was posted on September 17, 2008. The tenders were opened on October 8, 2008 and referred to the General Manager of Engineering Services for evaluation in consultation with Purchasing staff. Tenders were received from three bidders. Prices listed in Table 2 include GST and are based on lump sum prices for the items specified in the tender.

**Table 2: Tender Pricing - Power Systems (including GST)**

<b>Proponent</b>	<b>Tender Price</b>
Bidder #1	\$ 1,286,250.00
Bidder #2	\$ 1,357,874.31
Bidder #3	\$ 1,463,700.00

The successful completion of this project is dependent on the contractor's ability to perform this specialty work effectively. While the submission from Bidder #3 is not the lowest in price, Bidder #3 is the only one with substantial previous experience with substations and overhead catenary systems. This bid, from Mott Electric GP, is still within the engineer's estimate, represents the best value to the City based on Mott's previous experience, and is recommended for tender award.

The final cost of these contracts may vary as a result of any additions and deletions, and extra or "force account" work if necessary. Other works by City forces, inspections, contingency, and overheads are not included in the bid prices.

***FINANCIAL IMPLICATIONS***

The total estimated value for both contracts is \$5,160,019 including GST but not including internal overhead charges. Funding for these improvements has been previously approved by Council on March 11, 2008.

***IMPLEMENTATION PLAN***

Construction on both contracts is to begin immediately (November 2008) following the completion of the contract award process.

***CONCLUSION***

Following a public tender process and evaluation of bids for the replacement of the existing trackwork in the DHR corridor from Granville Island to the 2<sup>nd</sup> Avenue Canada Line Station, the General Manager of Engineering Services recommends that PNR RailWorks Inc. be retained for this work at an estimated contract cost of \$3,696,319 including GST.

Furthermore, following a similar public tender process and evaluation of bids for improvements to the existing DHR traction power system, the General Manager of Engineering Services recommends that Mott Electric GP be retained for this work at an estimated contract cost of \$1,463,700 including GST.

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