
City of Kelowna

MEMORANDUM

DATE: June 8, 2005
FILE: 5400-20 KLO Road
TO: City Manager
FROM: Transportation Manager
RE: **AWARD OF CONSTRUCTION CONTRACT TE 05-07
KLO Road Widening**

Prepared by: Forrest Klotzbach, Roadways Engineer

RECOMMENDATION:

THAT the Contract TE 05-07 for construction of the KLO Road Widening be awarded to Peters Bros. Construction Ltd. for the amount of \$3,992,942.54, including GST;

AND THAT the Mayor and City Clerk be authorized to execute the Contract on behalf of the City.

BACKGROUND:

In conjunction with the 20-Year Servicing Plan, the City is proposing to widen KLO Road to two lanes in each direction with a centre two-way left turn lane. In addition, a second northbound lane through and two eastbound to northbound left turn lanes will improve the KLO/Benvoulin intersection.

The design of the road is as per the City's Subdivision, Development and Servicing By-law No. 7900, drawing SS-R9.

The work to be performed includes the construction of approximately:

- 1900 m of storm sewer;
- 200 m of water main;
- 750 m of sanitary sewer;
- 2,500 m of sidewalk;
- 2,650 m of concrete curb and gutter; and
- 60 new maple boulevard trees.

In response to the City's invitation to Tender TE05-07, three bids were received, as shown:

| | |
|---------------------------------------|-----------------------|
| Peters Bros. Construction Ltd. | \$3,992,942.54 |
|---------------------------------------|-----------------------|

| | |
|--------------------------|-----------------|
| O.K. Excavating | \$4,213,432.63* |
| Hayter Construction Ltd. | \$4,438,950.37 |
| Engineer's Estimate | \$4,605,263.95 |

*Arithmetic error corrected that did not materially affect the tender.

Our Consultant, Stantec Consulting, has reviewed the bids for accuracy and arithmetic errors and has provided the City with a tender analysis and the corrected bids. Peters Bros. Construction Ltd. has complied with the tender specifications and drawings and included the specified Bid Bond and Surety Consent for Performance and Labour and Material Payment bonds.

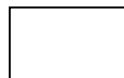
FINANCIAL IMPLICATIONS:

| | |
|--|-------------|
| Contract Value | \$3,992,942 |
| Less 7% GST | -\$159,808 |
| Contingency | \$150,000 |
| Construction Engineering Services | \$152,896 |
| Estimated property acquisition and restoration costs | \$931,912 |
| | <hr/> |
| | \$5,067,942 |
| Funding in 10-3400-R4900 | \$2,573,310 |
| Funding in 10-3400-R4903 | \$2,726,897 |
| ICBC Contribution | \$55,000 |
| | <hr/> |
| | \$5,355,207 |

CONCLUSION:

Peters Bros. Construction's bid is below the Engineer's estimate of \$4,605,263.95 for this project, the bid is compliant with the requirements of the tender and staff recommend acceptance of this report.

Upon award, construction of this project is anticipated to begin at the end of June and completed by the end of November, 2005 with final lift paving to occur in the spring of 2006.



Approved for inclusion:
John Vos
Director of Works & Utilities

Ron Westlake, P.Eng.
Transportation Manager

FPK/ms

cc: Director of Financial Services