
CITY OF KELOWNA

MEMORANDUM

Date: May 8, 2007
File No.: 5400-20 High/Clifton Roads
To: City Manager
From: Transportation Manager
Subject: **Tender Award TE07-06 High Road 2 and Clifton Rd 1**

Report Prepared by: Andrew Albiston AScT

RECOMMENDATION:

THAT Contract TE 07-06 for the construction of High Road 2 & Clifton Road 1 from Mountain Avenue to Clifton Road be awarded to Peter Bros. Construction Ltd. In the amount of \$5,724,667.61 including GST;

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

BACKGROUND:

High Rd. will serve as one of the few strategic connections to the future controlled access bypass (Clement Avenue), currently envisioned as the only arterial to service areas to the north from the lake all the way to Glenmore Rd. The section of High Rd, from Lambert Ave to Clement Ave is currently on hold as further traffic analysis is underway for the Central Okanagan Multi-modal Corridor (COMC). A future grade separated interchange may be warranted (although envisioned at a much later date) and the future land requirements should be identified and protected for now at this key location.

This roadway construction project is identified in the 20 year Servicing Plan and consistent with the goals and objectives for transportation network improvements supporting new development and the growing community. This will be accomplished by adding a north bound travel lane to existing High Rd., 2 new traffic controlled intersections with dedicated turn lanes and the re-alignment of the existing Clifton Rd. S. to connect with Skyline St. The proposed improvements will provide additional capacity and safe operations for all users, including both pedestrians and cyclists. Although this roadway project was designed for an ultimate 4 lane cross section with provisions made for bicycle lanes and continuous sidewalks, only 3 lanes are envisioned to be constructed till such time that future traffic volumes warrant the additional fourth lane.

The major items of work performed under this contract include:

- 500 m. of new road construction
- 500 m. of road widening and reconstruction
- 4,500 square metres of concrete sidewalk
- 2.6 km of concrete curb and gutter
- 900 m. of sanitary sewer pipe

- 330 m. of storm sewer pipe
- 2 new signalized intersections and new street lighting
- 350 vsq. M. of modular block retaining wall

In response to the City's invitation to Tender TE07-06, three bids were received and summarized as follows:

JSDS General Contractors Ltd.	\$4,946,251.29
Peter Bros. Construction Ltd.	\$5,724,667.61
Copcan Contracting Ltd.	\$5,923,105.33

The pre-tender estimate for the work was \$5,566,248.00

All prices include \$400,000 contingency and 6% GST

After carefully reviewing all submissions, each contained mathematical errors although when corrected did not materially affect the tender results. The low tender submitted by JSDS General Contractors Ltd. did however contain omissions and irregularities;

The following summary lists the omissions and irregularities identified in the JSDS General Contractor's Bid:

- Mathematical errors that did not materially affect the tender results.
- Appendices 2, 3 and 4 were missing or not filled out, which form an integral part of the tender form and clearly stated as a submission requirement in Section 5.3 of the Instructions to Tenderers Part II for the tender submission to be considered complete.
- The unit price and extension for accommodating the Apple Triathlon were both missing.

In the opinion of our legal services provider the tender submitted by JSDS General Contractors Ltd. does not comply with the tendering requirements as stated in both the Tender Documents and the Master Municipal Construction Document (MMCD) and warrants disqualification. This position is also shared by our consultants in their recommendation for this award. The imbalance in the low bid received as compared to the other bids as well the pre-tender estimate suggest that the Contractor may have not fully understand the entire scope of the work nor the complexities associated with it. To the best of our knowledge this is the first time JSDS General Contractor's bid on City of Kelowna construction project and further that this Contractor has never undertaken a municipal project to this order of magnitude.

Peter Bros. Construction Ltd. has complied with the tendering requirements and included the specified bid bonds as well as a consent of surety.

FINANCIAL/BUDGETARY CONSIDERATIONS:

The approved 2007 budget for High 1, High 2 and Clifton 1 is \$6,634,960.00. Originally envisioned to be constructed in 2006 to only a 3 lane roadway, changes in density to the Arbutus development (Ryan's Peak) drove the need for significant re-design. These design features now include provisions for providing additional capacity and operational improvements in the form of traffic control devices warranted sooner than later at both High Rd and Lynwood Crescent as well High Rd at Mountain Ave. The design forecast traffic volumes and subsequent traffic analysis resulted in acquiring additional land that was not included in previous DCC Roadway estimates. The revised intersection design and

geometry now includes provisions for dedicated left and right turn lanes and additional storage lengths for cars queuing to ensure a reasonable level of service can be achieved and maintained for a period of time and further minimizing travel delay and traffic congestion.

Developer's contributions figure into the overall funding strategy for this project and are identified as a revenue line item enabling this project to proceed. Additional funding sources include both the Water and Waste Water Utilities funding through the Roadway DCC program and summarized as follows:

Contract Value	5,724,667.61
Less 6% GST	-324,037.79
Utility Relocations	250,000
Construction Engineering Services	540,060
Land Acquisition (net costs)	<u>1,160,000</u>
	\$7,350,690
Funding Available High 1 10-3400-R4200	3,062,070
Funding Available High 2 10-3400-R4250	516,620
Funding Available Clifton 1 10-3400-2540	2,150,000
Funding Water Utility 50-4700-W7993	77,000
Funding Wastewater 40-4900-S4252	275,000
Funding Parks	82,000
Funding from Development	1,188,000
	\$7,350,690

This summary envisions utilizing a significant portion of the High 1 budget to construct High 2 and Clifton 1, although a short transitional section into High1 is include in this contract award to construct a smooth transition into the new roadway alignment. High 1 requires additional engineering effort to secure working area easements and finalizing any additional land requirements. Remaining funds will be applied towards High 1 and the budget will be updated accordingly and brought forward for future budget discussions as well incorporated into future DCC program updates.

CONCLUSION:

Peter Bros. bid is approximately 3% over the pre-tender construction estimate for this project. Peter Bros. bid is in compliance with all the requirements set out in the Tender Documents and further recommend that this tender be awarded. The schedule completion is scheduled to start next month and anticipated to be complete in June of 2008.

INTERNAL CIRCULATION TO:

- Financial Services Department
- Parks Department
- Community Development & Real Estate
- Development Engineering Manager

Considerations not applicable to this report:

LEGAL/STATUTORY AUTHORITY: N/A

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS: N/A

EXISTING POLICY: N/A

PERSONNEL IMPLICATIONS: N/A

TECHNICAL REQUIREMENTS: N/A

EXTERNAL AGENCY/PUBLIC COMMENTS: N/A

ALTERNATE RECOMMENDATION: N/A

Respectfully submitted by:



Ron Westlake, P.Eng
Transportation Manager

Approved for inclusion:
John Vos
Director of Works & Utilities

cc: Director of Financial Services