
CITY OF KELOWNA

MEMORANDUM

Date: June 6, 2007
File No.: 0870-20
To: City Manager
From: Civic Properties Project Supervisor
Subject: Award of Construction Contract for Expansion to Okanagan Gymnastics Club

RECOMMENDATION:

THAT Council approve the award of the construction contract for the expansion of the Okanagan Gymnastics Club located at 365 Hartman to Mailey Developments (2007) Ltd.

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

BACKGROUND:

In 2001, the City built a 12,000 square feet Gymnastics training facility in the Rutland District Recreational Park. Through sound fiscal management and community support the Okanagan Gymnastics Club has outgrown the current facility. Several options were considered to increase user capacity and from an operational and coaching perspective, expansion was found to be the most cost-effective solution. This expansion will allow the facility to accommodate a 40% increase in peak participation and meet the projected overall growth demands for another 10 years.

Meiklejohn Architects Ltd. was retained to act as the prime consultant to coordinate the design work of the expansion to the Okanagan Gymnastics Club facility. Detailed construction drawings and specifications were completed in May 2007, and approvals were secured from the Okanagan Gymnastics Club management and coaches. Tenders were called immediately thereafter and closed on June 5, 2007. The City received bids from 2 contractors ranging from the lowest bid of \$553,238 to the highest bid of \$763,000. The prime consultant, Jim Meiklejohn, the Civic Properties Manager, the Civic Properties Projects Supervisor and the Senior Buyer from Purchasing reviewed the bid submissions and are recommending the acceptance of the low bid from Mailey Developments (2007) Ltd. This bid is within the estimated construction budget for this project,

Upon award, construction will commence the week of June 18th, 2007 with substantial completion scheduled for December 1st, 2007.

Based upon the above information, Council's support of this action is respectfully requested.

**Award of Construction Contract
Okanagan Gymnastics Club, 365 Hartman Road**

The following is a summary of the bids received.

Bid Summary	
Company	Bid
Mailey Developments (2007) Ltd.	\$553,238.00
Maple Reinders Inc.	\$763,000.00

FINANCIAL/BUDGETARY CONSIDERATIONS:

In September 2006 Council supported borrowing \$800,000 to expand the existing Okanagan Gymnastics Club facility at 365 Hartman Road in the Rutland District Recreational Park, and to recover this loan in its entirety through lease payments over 20 years. The requisite Gymnastics Facility Construction Loan Bylaw was subsequently brought forward to Council and approved. Following Council approval the Alternative Approval Process was engaged to seek public approval of the bylaw amendment. In February 2007 public approval was confirmed and the proposed facility expansion moved into the design development phase.

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:

As a related amendment to the alternative approval process, the lease agreement between the City and the Okanagan Gymnastics Club has been amended to provide for repayment of the total cost of the expansion, plus interest over a 20 year period.

INTERNAL CIRCULATION TO:

LEGAL/STATUTORY AUTHORITY:

EXISTING POLICY:

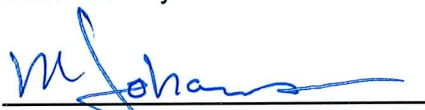
PERSONNEL IMPLICATIONS:

TECHNICAL REQUIREMENTS:

EXTERNAL AGENCY/PUBLIC COMMENTS:


ALTERNATE RECOMMENDATION:

Submitted by:



M Johansen, Civic Properties Projects Supervisor

Approved for Inclusion:



DG

Cc: Director of Recreation, Parks and Cultural Services
Civic Properties Manager
Director of Financial Services

PROJECT
DIVISION 0

FORMAT OF TENDER

SECTION 00310
PAGE 15

FORM OF THE TENDER PROJECT:

TO: City of Kelowna
Office of City Clerk
1435 Water Street
Kelowna, BC V1Y 1J4
Attention: City Clerk

FROM: Mailey Developments (2007) Ltd.
(Name of Contractor)

1.0 WE, THE UNDERSIGNED:

1.1 have received and carefully reviewed all of the Contract Documents, as listed in the Instructions to Tenderers, and the following Addenda:

(Addenda, if any) 1, 2

1.2 have full knowledge of the Place of the Work, and the Work required;

1.3 have complied with the Instructions to Tenderers; and

1.4 have complied with the minimum qualifications necessary for tendering, as confirmed in Appendix 6.

2.0 ACCORDINGLY, WE HEREBY OFFER:

2.1 to perform and complete the Work and to provide all the labour, equipment and material all as set out in the Tender Documents, in strict compliance with the Tender Documents; and

2.2 to achieve Substantial Performance of the Work, on or before 24 weeks; and
(Work Duration or Date)

2.3 to do the Work for a fixed price of FOUR HUNDRED AND NINETY EIGHT THOUSAND, EIGHT HUNDRED
(\$ 498,800.00) in Canadian funds (Tender Price), which price includes applicable taxes and duties in force at this date, but excludes the Federal Goods and Services Tax (GST). Said Tender Price is comprised of the component prices set out in Appendix 1 - Breakdown of Tender Price.

3.0 WE CONFIRM:

3.1 that the following are attached to and form a part of this tender:

- 1 Appendices 1 to 8, inclusive as required by paragraph 5.4 of the Instructions to Tenderers; and

APPENDIX 4

SEPARATE PRICES

Pursuant to paragraph 5.4 of the Instructions to Tenderers the following is a list of items for which Separate Prices were requested. These Separate prices are not included in our Tender Price. Price quoted includes all overhead, profit and taxes, excluding GST.

<u>Description of Separate Price Work</u>	<u>Amount (\$)</u>
1. Separate price for all associated work for the construction and finishing of the New Mezzanine in the existing building (area noted on drawings). Which includes but is not limited to; new structural floor system and support walls, handrail relocation, office walls, window, door and associated hardware, new exterior exit door and stair, and related mechanical and electrical systems.	\$55,238.00



FORM OF THE TENDER
PROJECT:

COPY

TO: City of Kelowna
Office of City Clerk
1435 Water Street
Kelowna, BC V1Y 1J4

Attention: City Clerk

FROM: Maple Reinders Inc.
(Name of Contractor)

1.0 WE, THE UNDERSIGNED:

- 1.1 have received and carefully reviewed all of the Contract Documents, as listed in the Instructions to Tenderers, and the following Addenda:
Addenda 1 and 2
(Addenda, if any)
- 1.2 have full knowledge of the Place of the Work, and the Work required;
- 1.3 have complied with the Instructions to Tenderers; and
- 1.4 have complied with the minimum qualifications necessary for tendering, as confirmed in Appendix 6.

2.0 ACCORDINGLY, WE HEREBY OFFER:

- 2.1 to perform and complete the Work and to provide all the labour, equipment and material all as set out in the Tender Documents, in strict compliance with the Tender Documents; and
- 2.2 to achieve Substantial Performance of the Work, on or before a duration of 5 months and
(Work Duration or Date)
- 2.3 to do the Work for a fixed price of six hundred ninety two thousand dollars
(\$ 692,000.00) in Canadian funds (Tender Price), which price includes applicable taxes and duties in force at this date, but excludes the Federal Goods and Services Tax (GST). Said Tender Price is comprised of the component prices set out in Appendix 1 - Breakdown of Tender Price.

3.0 WE CONFIRM:

- 3.1 that the following are attached to and form a part of this tender:
 - .1 Appendices 1 to 8, inclusive as required by paragraph 5.4 of the Instructions to Tenderers; and

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<u>Description of Separate Price Work</u>	<u>Amount (\$)</u>
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Maple Reinders Inc.