
CITY OF KELOWNA

MEMORANDUM

Date: August 28, 2007
File No.: 5400-20 Rails with Trails and Central Okanagan Bypass (COB 1) Landscape
To: City Manager
From: Transportation Manager
Subject: **Tender Award TE07-11 Rails with Trails and COB 1 Landscape**

Report Prepared by: Andrew Albiston AScT

RECOMMENDATION:

THAT Contract TE 07-11 for the construction of Rails with Trails and COB 1 Landscape be awarded to Peter Bros. Construction Ltd. in the amount of \$3,615,642.76 excluding GST;

AND THAT costs additional to the approved budgets totalling \$670,000 be funded by a transfer from Account No. 10-3400-R4200 (High 1 road project);

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

BACKGROUND:

Rails with Trails

The proposed multi-use pathway is planned to be constructed within an existing CN Railway corridor between Gordon Drive and Spall Road. It's ultimately envisioned to extend from the downtown cultural district to the UBC-Okanagan and beyond to service regions further to the north.

A feasibility study completed by Hamilton Associates (2001) to assess the potential for the pathway in conjunction with an operating railway precipitated discussions with several key stakeholders. They included the owners/operators of the rail, the federal and provincial environmental and transportation ministries. Input provided by the various agencies and cycling clubs provided direction for the development of the trail concept by identifying and addressing many of the key issues and concerns during the planning phase.

The intended use of the trail is consistent with the City's goals of providing alternate modes of transportation, promoting active living, reducing harmful emissions and sustainable transportation networks. The Rail-with-Trail corridor will provide a safe and scenic pathway for walking, in-line skating, commuter and recreational cycling, wheelchairs, scooters and baby strollers.

The proposed section of multi-use trail is 1.8 km, constructed to a min. 4.5 metres in width running parallel to an adjacent newly constructed arterial roadway, situated within shared CN R.O.W. and all very complementary to the City's long term vision of a multi-modal corridor. Accommodation for

pedestrians and cyclists on the existing local street and pathway networks have already been implemented in anticipation of this trail project moving forward in 2007. Both termination points provide traffic pedestrian activated controls with on-street dedicated bicycle lanes as well pedestrian facilities i.e, wheel chair accessible ramps and sidewalks. Midpoint a new pedestrian signal controlled crossing was installed and functional in 2006 to permit a safe crossing at an intersection for cyclists and school aged children to access a nearby school and recreational green space.

The Ministry of Community Services has accepted our application for funding under the LocalMotion program and are willing to contribute \$1.0 million dollars towards this project on a 50/50 cost share basis.

Central Okanagan Bypass (COB 1) Landscape

Upon completion of the roadway portion of the future Central Okanagan Bypass (Clement Avenue), City Parks and Transportation staff along with the consulting firm have worked collaboratively in developing an overall aesthetic treatment and theme that truly integrates social and environmental components into this ultimate highway corridor. The desired outcome of this integrated approach is the creation of a sustainable, attractive transportation corridor that expresses the spirit, cultural and natural environment of the Central Okanagan Region.

Keeping in mind the desire to develop a low level maintenance plan, a landscape concept is proposed to be carried out throughout the entire length of the corridor. Consistent with the goals and objectives for promoting sustainability, this landscape plan contains many plantings native to the area and all specified grass seed is typical of the natural grasses within our region.

The major items of work performed under this contract include:

- 1.8 km of paved multi-use pathway
- landscape median and boulevard treatment along Clement Avenue

In response to the City's invitation to Tender TE07-11, three bids were received and summarized as follows:

Peter Bros. Construction Ltd.	\$4,663,850.59
JSDS General Contractors Ltd.	\$4,901,670.14
Wilco Landscape Contractors Ltd.	\$6,092,234.04

The pre-tender estimate for the work was \$3,911,424

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

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

In recognition of the significant discrepancy between the Engineer's estimate and the lowest bid, city staff consulted with both the Parks and Yards staff to obtain feedback on the pricing provided. In general terms of the pricing submitted, this is typical of what can be expected based on the time of year when the tender was let and that this is a continuing reminder of the current economy. After reviewing the tendered items and without diminishing or reducing the expectation on what is to be delivered, staff have diligently worked through the bid items and tendered terms, refined the scope of

work and were successful in reducing the total tender value to approved budget amounts while adhering to applicable contractual obligations.

FINANCIAL/BUDGETARY CONSIDERATIONS:

Rails with Trails

The approved 2007 construction budget for Rails with Trails is \$2,278,000 including a \$1.0 M grant from the Ministry of Community Services through the LocalMotion program. The multi-use pathway project begins at Gordon Drive and may now proceed all the way to Spall Road instead of only High Road as planned without the grant funding. Based on a 50/50 cost share to a maximum of \$1.0 M contribution, there is a commitment from the City to contribute an equal or greater share. The City's portion of the cost is from the Community Works Fund - Gas Tax, taxation and general reserves.

Central Okanagan Bypass (COB 1) Landscape

During budget finalization June 2007, Council approved a budget request prepared by Transportation staff to complete the landscaping portion of Clement Avenue from Gordon Drive to Spall Rd. for \$1M, now that the roadway component is complete. Select items of landscape were completed in 2007 under the previous roadway contract enabling full operation of roadway to both vehicles and pedestrians. Boulevards and centre median areas were both treated with final base gravels prior to concrete placement. Select high volume areas were treated with coloured concrete aprons removing potential roadside safety hazards and completion of pedestrian and cycle links.

The remaining budget for landscape of COB 1 is \$850,000. To meet the shortfall of approximately \$670,000, and brought forward for Councils consideration, would be to transfer funds from the High Rd 1 project to award this contract. In doing so, project staff in consultation with the Contractor, can look at opportunities to save costs by possible reductions or refinements in both quantities and scope. The present contract language contained in Master Municipal Construction Documents (MMCD) does not permit this level of discussion amongst the parties between tender close and tender award. The Contractor is obligated to hold this price for a period of 60 calendar days after tender close, July 31, 2007, and open to acceptance till September 29, 2007 at which time the offer will have expired.

The remaining portion of the High Rd project from Clement Avenue to Lambert Avenue may not proceed as soon as originally intended. In order for this project to move forward there are property related impacts to be resolved and a full complement of underground utilities to be constructed between Clement and Lambert Avenues. It is recommended that both the property related issues be resolved, the underground utility work proceed in 2008 with the roadway construction to follow in 2009. This revised schedule will minimize the budget impact in 2007. Staff will bring forward a revised project estimate for 2008 budget.

Original Tender

Tendered Base Sub Total	\$3,329,512.76
Optional Work	\$670,346.29
Contingency	\$400,000
6% GST	\$263,991.54
Total Tender inc, Optional, contingency and GST	\$4,663,850.59

Modified Tender

Tender Base Sub Total	\$3,329,512.76
Optional Work (reduced)	\$86,130
Contingency (reduced)	\$200,000
Net GST	\$0
Revised Total Tender, inc. optional work and contingency less available GST rebate	\$3,615,642.76

Project Summary

Rails with Trails	\$2,097,375.37
COB 1 Landscape	\$1,518,267.39

CONCLUSION:

Recommend that this tender be awarded to Peter Bros. Construction Ltd, for the completion of the first section of the Rails with Trails from Gordon Drive to Spall Rd and further take full advantage of the financial contribution from the Province. Further, complete the final remaining landscape work to complement the recent roadway construction of Clement Avenue by transferring funds from the High Rd 1 project for the purposes of awarding this tender.

INTERNAL CIRCULATION TO:

- Financial Services Department
- Parks Department

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