
CITY OF KELOWNA

MEMORANDUM

Date: November 10, 2009
File No.: 5380-04
To: City Manager
From: Manager, Roads, Drainage & Solid Waste Projects
Subject: Award of Construction TE 09-08
Kelowna Vernon Bio-solids Composting Facility Phase 2

RECOMMENDATION:

THAT the Contract for the construction of the Kelowna Vernon Bio-Solids Composting Facility Phase 2 Expansion be awarded to Greyback Construction Limited for the amount of \$ 6,432,137.25, which includes GST (\$306,292.25) that will be fully rebated. The contract award amount also includes a \$200,000 contingency.

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

BACKGROUND:

The Kelowna-Vernon Bio-solids Composting Facility Phase 2 expansion is required to process the increased Bio-Solids that are being delivered to the existing facility. Currently best management practices cannot be instituted to reduce odours without adding the aeration system included in the phase 2 expansion. This project will provide the upgrade for the odour control as well as expansion of the existing facility to beyond the 2016 horizon and will service both the City of Kelowna and the City of Vernon.

The construction work for this contract is anticipated to commence in December 2009 and is expected to be completed by June 30, 2010.

In response to the City's invitation to Tender TE-09-08, Three (3) bids were received, as tabulated below:

Contractor	Total Bid (incl. GST)
Greyback Construction Ltd.	\$6,432,137.25
Graham Construction and Engineering Inc.	\$8,865,766.86
Arlo Construction Ltd.	\$8,895,250.92



Our Consultant has reviewed the bid submissions, checked the arithmetic accuracy and provided the City with a tender analysis, a list of the corrected bids and a recommendation to award this contract to Greyback Construction Ltd.

Prior to advertising the Invitation to Tender, our Engineering Consultant estimated the construction cost for all the components of the Contract to be \$6,510,000.00, including GST and contingency.

FINANCIAL/BUDGETARY CONSIDERATIONS:

After this Contract tender is awarded for the tender price of \$6,432,137.25 (which includes a \$200,000 contingency) and accounting for other project costs and commitments, the remaining amount left in the project budget is projected to be \$342,000.

Considerations that were not applicable to this report:

INTERNAL CIRCULATION TO:

LEGAL/STATUTORY AUTHORITY:

LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:

EXISTING POLICY:

PERSONNEL IMPLICATIONS:

TECHNICAL REQUIREMENTS:

EXTERNAL AGENCY/PUBLIC COMMENTS:

COMMUNICATIONS CONSIDERATIONS:

ALTERNATE RECOMMENDATION:

Submitted by:



P. Irani, P.Eng.

Manager, Roads, Drainage & Solid Waste Projects

Approved for Inclusion:



Bill Berry, P.Eng., Director of Design & Construction Services

Cc: John Voš, P.Eng. *General Manager, Community Services*