



To: Public Works and Transportation Committee **Date:** June 15, 2005
From: Robert Gonzalez, P.Eng.
 Director, Engineering **File:** 06-2052-WYSR1-Vol/ 01
Re: **Contract T.1565 Works Yard Stores Renovations**

Staff Recommendation

That the City of Richmond enter into a contract with Parkwood Construction Ltd., in accordance with Contract T.1565 – Works Yard Stores Renovation, for the total amount of \$657,103.00.

Robert Gonzalez, P.Eng.
Director, Engineering

FOR ORIGINATING DIVISION USE ONLY						
ROUTED TO:	CONCURRENCE		CONCURRENCE OF GENERAL MANAGER			
Budgets	Y	<input checked="" type="checkbox"/>	N			
REVIEWED BY TAG	YES	<input checked="" type="checkbox"/>	NO	REVIEWED BY CAO	YES	NO
			<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>

Staff Report

Origin

This project is part of the 2005 Major Capital Building Program.

Background

This project originated from KPMG's 2001 and 2002 audit management report. The report recommended that the City develop a Business Continuity Centre in case of a disaster. The scope of work for this contract addresses the foregoing recommendation by seismically upgrading the Workyard Stores building and optimizing space requirements within the building to incorporate an Information Technology Business Recovery Operations Centre.

Construction is scheduled to start in July and be complete by the end of December.

According to Policy 3102.01, *Purchasing and Publicly Tendered Contracts*, the CAO, together with the General Manager, Engineering and Public Works, can award the contract provided the conditions of this policy are met. One of the conditions of the policy is that a minimum of three qualified tenders must be received.

Six pre-qualified contractors were invited to submit tenders, however only two qualified tenders were received, consequently the award of Tender No. T.1565 must be approved by Council.

Analysis

Tenders were received from Parkwood Construction Ltd., and Scott Interior & Renovations Ltd., as highlighted in Table 1.

The lowest bid, received from Parkwood Construction Ltd., is within the approved budget.

Table 1 – Tender No. T.1565 Results

Company	Tender Price
Parkwood Construction Ltd.	\$ 657,103.00
Scott Interior & Renovations Ltd.	\$ 705,042.06

Table 2 - Total Project Cost

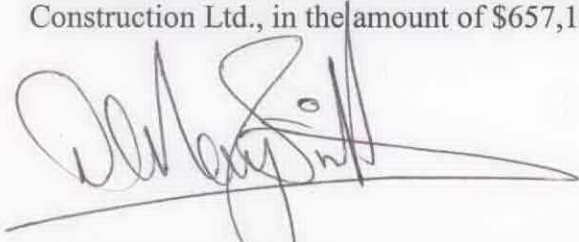
	Total
Project Budget (2005 Program)	\$700,000.00
Parkwood Construction Ltd.	\$657,103.00
Construction Administration	\$ 7,800.00
Permits and Overheads – 5%	\$ 35,000.00
	<u>\$699,903.00</u>
Balance	\$ 97.00

Financial Impact

Current Funding Available	\$ 700,000.00	Account # 40567
Funding Required	<u>\$ 699,903.00</u>	
Remaining Balance	<u>\$ 97.00</u>	

Conclusion

Staff recommend that the City enter into a contract with the lowest bidder, Parkwood Construction Ltd., in the amount of \$657,103.00



David Naysmith, P. Eng.
Manager, Facilities Planning & Construction

JS:cmm