



City of Richmond

Report to Committee

To: Public Works and Transportation Committee

Date: April 12, 2022

From: Jim V. Young, P. Eng.
Director, Facilities and Project Development

File: 10-6000-01/2022-Vol 01

Re: Award of Contract 7214Q – On Call Roofing Contractor

Staff Recommendation

1. That Contract 7214Q – On Call Roofing Contractor be awarded to Marine Roofing and Repair Service (2003) Ltd., in the amount of \$714,010.44 for a three-year term as described in the report titled “Award of Contract 7214Q – On Call Roofing Contractor,” dated April 12, 2022 from the Director, Facilities and Project Development.
2. That the Chief Administrative Officer and General Manager, Engineering and Public Works be authorized to extend the initial three-year term, up to the maximum total term of five years, for the maximum total amount of \$1,240,125.81, as described in the report titled “Award of Contract 7214Q – On Call Roofing Contractor,” dated April 12, 2022 from the Director, Facilities and Project Development.
3. That the Chief Administrative Officer and General Manager, Engineering and Public Works be authorized to execute the contract and all related documentation with Marine Roofing and Repair Service (2003) Ltd.

Jim V. Young, P. Eng.
Director, Facilities and Project Development
(604-247-4610)

REPORT CONCURRENCE		
ROUTED TO: Finance Department	CONCURRENCE <input checked="" type="checkbox"/>	CONCURRENCE OF GENERAL MANAGER
SENIOR STAFF REPORT REVIEW	INITIALS: 	APPROVED BY CAO - Acting

Staff Report

Origin

The City requires an on call roofing contractor to complete semi-annual inspections, cleaning and repairs to the roofs of approximately 170 City buildings. This service is to maximize life expectancy of roofs, protect the buildings from the elements, and provide comfortable and efficient interior space.

The City's current contract for on call roofing is with Marine Roofing and Repair Service (2003) Ltd. (Marine Roofing), and will expire in May 2022.

This report summarizes the public tendering process for the Contract 7214Q and provides a recommendation for the on call roofing contractor.

This report supports Council's Strategic Plan 2018-2022 Strategy #1 A Safe and Resilient City:

Enhance and protect the safety and well-being of Richmond.

1.2 Future-proof and maintain city infrastructure to keep the community safe.

1.3 Ensure Richmond is prepared for emergencies, both human-made and natural disasters.

1.4 Foster a safe, caring and resilient environment.

This report supports Council's Strategic Plan 2018-2022 Strategy #5 Sound Financial Management:

Accountable, transparent, and responsible financial management that supports the needs of the community into the future.

5.2 Clear accountability through transparent budgeting practices and effective public communication.

Analysis

Scope of Work

The scope of work for this contract includes, but is not limited to:

- semi-annual inspection and repairs;
- emergency repairs;
- non-emergency repairs on a call-out basis;
- emergency extensive repairs; and
- providing temporary anchor points and or safety lines for City staff to access and inspect roofs.

It is anticipated that approximately 90 percent of the required work will be performed during regular hours and at regular rates, with the remainder of work occurring outside of regular business hours and therefore to be charged at overtime rates.

Public Tendering

A Request for Quotation (RFQ) 7214Q was posted to the City of Richmond Bids and Tenders on February 18, 2022. The RFQ also advised bidders that the City would retain the right to extend the scope of work to other City facilities should there be a need in the future.

To validate the bids, bidders were requested to provide quotes for standard roof inspections and for small repairs. Bidders were also asked to commit to a two-hour response time for emergency repairs.

The bids were evaluated based on:

- each bidder's proposed billable rates for work performed during regular business hours and outside regular business hours, multiplied by the estimated total number of hours (based on historical usage over a three-year time period);
- each bidder's proposed costs to undertake roof inspections over the three-year initial contract period multiplied by 170 City facilities; and
- estimated costs for parts and materials.

Award Recommendation

The bid summary results of the RFQ are summarized in Table 1 below.

Table 1: Bid Summary Results

Company	Estimated Annual Contract Value (based on historical usage, excluding GST) 2022-2024
Marine Roofing and Repair Service (2003) Ltd.	\$183,079.60
Atlas-Apex Roofing (BC) Inc.	\$333,000.00

The City's designated representatives reviewed the submitted bids to confirm:

- each bidder's understanding of objectives and outcomes;
- capacity to complete the work;
- ability to meet required deadlines;
- previous experience;
- quality of references; and
- pricing.

The previous On Call Roofing contract was awarded to Marine Roofing in July 2018 in competition with two other bids. The hourly rate increase on this contract is 3.60 per cent for the initial three years over the previous contract, and then rising 4.98 per cent in year four and 9.85 per cent in year 5, upon optional extension.

Given the current construction cost escalation environment, locking in low-cost certainty with the Marine Roofing proposal for a possible five-year term represents great value for the City.

Marine Roofing has provided roofing services to the City for over 25 years and have typically completed all assigned projects on time and on budget, even with tight deadlines.

Financial Impact

Based on historical expenditures for the work under this contract, it is estimated that the total value of the proposed contract over a three-year term will be approximately \$561,235.20, plus contingency as summarized below in Table 2. A 30 percent contingency is required to budget for escalating cost of materials and parts, environmental impacts such as atmospheric rivers, extensive or unplanned emergency repairs and to allow for future additional buildings that may fall under the City’s responsibility.

Table 2: Total Three-Year Term Cost

Year 2022	\$183,079.60
Year 2023	\$183,079.60
Year 2024	<u>\$183,079.60</u>
Subtotal	\$549,238.80
Contingency (30%)	<u>\$164,771.64</u>
Total (3 Years)	<u>\$714,010.44</u>

The City, with mutual agreement with Marine Roofing, has the option to extend the proposed contract by an additional two years. The estimated cost associated with this extension is summarized below in Table 3.

Table 3: Contract Extension Cost

Year 2025	\$195,029.09
Year 2026	<u>\$209,675.04</u>
Subtotal	\$404,704.13
Contingency (30%)	<u>\$121,411.24</u>
Total (2 Years)	<u>\$526,115.37</u>

The total amount for a five-year term is \$1,240,125.81. The decision to extend the contract by an additional two years would be based on Marine Roofing’s performance over the initial term.

The contract will be executed upon mutual consent of all parties. The Facility Services annual operating budget account will fund the contract, which is subject to yearly approval by Council. The actual expenditures of the contract for On Call Roofing Contractor will be according to Council approved budgets. Upon contract expiration, excess funding shall be returned to the originating budget source.

Conclusion

The City is responsible for approximately 170 roofs. Inspection and upkeep of these roofs is an essential part of the preventative maintenance program, which will extend the service life of all roofs and buildings. The previous contract for On Call Roofing Contractor will expire in May 2022, necessitating the need for a new contract to be in place.

Staff recommend that contract 7214Q be awarded to Marine Roofing and Repair Service (2003) Ltd. for a three-year fixed term with two optional one-year extensions, as their lowest priced bid was determined to be the most responsible and responsive bidder according to the City's requirements.

This contract offers good long term value and certainty on labour costs in an inflationary and volatile market condition.



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JL:cc