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**TO:** CITY MANAGER **DATE:** 2007 JULY 17

**FROM:** MAJOR CIVIC BUILDING PROJECT  
COORDINATION COMMITTEE

**SUBJECT:** FIRE STATION NO. 7 - GILMORE

**PURPOSE:** To obtain Council approval for a Capital Reserves Expenditure Bylaw to finance the construction of Fire Station No. 7 – Gilmore.

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**RECOMMENDATION:**

1. **THAT** Council bring down a Capital Reserves Expenditure Bylaw in the amount of \$500,000 (plus 6% GST) to complete the financing for the construction of Fire Station No. 7 – Gilmore and associated civil works.

**REPORT****1.0 BACKGROUND:**

Tender documents for Fire Station No. 7 were issued to ten (10) pre-qualified general contractors on 2007 May 30 and closed on 2007 July 09.

A total of three (3) acceptable tenders were received by the Purchasing Manager with the low tender being submitted by Bynett Construction Services in the amount of \$8,068,900.

A review of the low tender indicates that most of the construction elements are within the City's construction budget with the exception of the civil works portion of the contract which is considerably higher than originally anticipated. The low tender exceeds the Fire Station's construction budget by 7.5%.

**2.0 FUNDING REQUIRED TO COMPLETE AND AWARD CONTRACT:**

Provisions in the Tender Documents allow the City sixty (60) days to accept the Tender and award a Contract. In order to be in a position to award a contract for the construction of Fire Station No. 7 it will be necessary for Council to bring down a Capital Reserves Expenditure Bylaw in the amount of \$500,000 plus GST @ 6% to cover the difference between the required total funding and the funding that is currently in place as outlined.

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• **Total Funds Required:**

- Construction	\$8,068,900
- DDC System	\$73,000
- Misc. Project Costs: Design, Furnishings, Permits, Testing, Project Contingency	\$1,195,365
<b>TOTAL</b>	<b>\$9,337,265</b>

• **Total Funds in Place:**

- Bylaw #11957 (Design)	\$500,000	
- Bylaw #12265 (Construction)	\$8,337,265	
<b>TOTAL</b>	<b>\$8,837,265</b>	<b>\$8,837,265</b>

• <b><u>Balance of Bylaw Funds Required to Finance Project:</u></b>	<b>\$500,000</b>	<b>\$500,000</b>
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<b>TOTAL PROJECT BUDGET</b>	<b><u><u>\$9,337,265</u></u></b>
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*(Note: Totals do not include GST)*

Subject to receiving Council approval the 2007-2011 Capital budget will be amended accordingly to cover this expenditure.


**3.0 CONCLUSION:**


Tenders for the construction of Fire Station No. 7 closed on 2007 July 09. A total of three (3) acceptable tenders were received by the City's Purchasing Manager. Primarily due to the cost of the off-site civil works the low tender submitted by Bynett Construction Services exceeded the estimated construction budget by 7.5%.


In order to be in a position for the City to award a contract it will be necessary for Council to bring down a Capital Reserves Expenditure Bylaw in the amount of \$500,000 plus GST @ 6% to cover the balance of funds required.

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Subject to receiving the necessary approval staff will prepare a future report to Council recommending the award of a construction contract to the pre-qualified low bidder.

  
Lambert Chui, Chair  
Major Civic Building Project Coordination Committee

  
Basil Luksun, Director  
Planning & Building

  
J. Stewart, Fire Chief

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cc: Deputy City Manager  
Director Finance  
City Solicitor  
Chief Building Inspector  
Purchasing Manager  
City Clerk