

ITEM 5

MANAGER'S REPORT NO. 72

COUNCIL MEETING Nov. 6/72

5. Re: Contract No. 25, 1972  
D.L. 86, Stage III B  
Clearing and Grubbing of Road and Lane Allowances  
(Item 18, Report No. 64, October 10, 1972)

Council on October 10, 1972, accepted the lowest tender in the amount of \$30,974 from Surferest Construction Company Limited for the clearing and grubbing of approximately five acres of road and lane allowances in Municipal Subdivision D.L. 86. The subdivision is located on Buckingham Drive, south of Burris Street and west of Canada Way.

Mr. John V. Maras of the Surferest Construction Company Limited, in a letter to the Manager dated October 26, 1972 (see attached), enclosed a certified cheque in the amount of \$3,097.40 as payment for his bid bond concerning the subject contract, on the understanding that the tender is thereby terminated, and requested that the bid bond be returned to him. His conversation with Mr. Brough as referred to in his letter involved his inability to find a dump site that was close at hand for the material. He had not executed the contract within the time allotted so we called him to see what his intentions were. It is the Company's intention to not proceed with the execution of this contract, and Mr. Maras is asking us to accept the cash amount in lieu of taking action against the bid bond. The Engineer recommends that the cheque be accepted as payment for failure to perform on the contract.

The second lowest bidder was Willets Bulldozing in the amount of \$50,000. Because of this excessively high price, together with the fact that this contractor cannot possibly perform within the specified time for completion of the contract, the Engineer recommends that the project be retendered. Because it is imperative that work on the site be started as soon as possible, arrangements have been made for the second tender to be advertised in the Vancouver Sun and the Journal of Commerce on November 4 and 6, 1972, respectively, with documents available for pickup by the bidders on November 6, 1972, and tenders to close on November 16, 1972.

As a result of the delay we have experienced in commencing this work, it seems unrealistic to call tenders with a 1972 completion date because of the uncertainty of weather. For this reason, we are proposing to set a new completion date of March 31, 1973, in the new contract. Should it become necessary for the successful bidder to use up the entire time allotted for clearing (to March 31, 1973), it is possible that the resultant time lag affecting other things such as design, underground and road work could result in a delay whereby the Municipal lots will not be placed on the market until the Fall of 1973.

RECOMMENDATIONS:

THAT the cheque in the amount of \$3,097.40 from Surferest Construction Company Limited be accepted as payment in lieu of default on the execution of the contract; and

THAT the bid bond be returned to Surferest Construction Company Limited; and

THAT the following basic terms of the proposed retender be ratified by Council:

1. Advertisement of the new tender in local newspapers on November 4 and 6, 1972.
2. Tender documents to be made available to bidders on November 6, 1972.
3. Tenders to close on November 16, 1972.
4. Inclusion of a March 31, 1973, completion date in the new clearing and grubbing contract.

L.E.M. 5

MANAGER'S REPORT NO. 72

COUSCH MEETING Nov. 6/72

1847 East Pender Street,  
Vancouver 6, B.C.

October 26, 1972

Manager,  
Corporation of the District of Burnaby,  
4949 Canada Way,  
Burnaby, B.C.

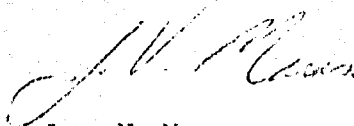
Dear Sir:

RE: Tender for Clearing & Grubbing,  
D.L. 86, Stage III B, Contract #25, 1972

Pursuant to our telephone conversation with your Mr. R.W. Brough,  
we are enclosing a certified cheque (No. 201) in the amount of Three  
Thousand Ninety-Seven Dollars and Forty Cents (\$3,097.40) as payment for  
our bid bond on the above-mentioned project.

The understanding reached with you is that our tender is hereby  
terminated and we would ask you to return our bid bond to us.

Yours truly,



John V. Maras,  
SURFCREST CONSTRUCTION CO. LTD.

Encl.