

REPORT  
Regular Council Meeting  
1992 September 14

THE CORPORATION OF THE DISTRICT OF BURNABY

CIVIC DEVELOPMENT COMMITTEE

HIS WORSHIP, THE MAYOR  
AND COUNCILLORS

Re: AWARDING OF CONTRACT FOR THE CONSTRUCTION OF  
THE DRIVING RANGE COMPLEX AT RIVERWAY GOLF COURSE

Recommendations:

- 1) THAT Council approve the awarding of a contract in the amount of \$2,458,074 (exclusive of GST) to R.M.T. Contracting Limited for the construction of the Driving Range Complex at Riverway Golf Course.
- 2) THAT Council bring forward a Bylaw in the amount of \$478,208 to complete the financing of the project.

R E P O R T

1.0 Background Information:

In 1992 July, the Major Civic Building Project Coordination Committee presented the final project estimate to the Parks & Recreation Commission and the Civic Development Committee of Council based on a review of the Architect's 90% working drawings and specifications by the Cost Consultant.

After receiving the necessary approvals, a tender call was released on 1992 July 18 and closed on 1992 August 17. The tender documents made provision for alternate prices on a number of building items and site works and also included Burnaby's Fair Wage requirements.

2.0 Tender Call Response:

On 1992 August 17, a total of four tenders were received by the Purchasing Agent.

The tenders submitted ranged from \$2,458,074 to \$2,801,000, exclusive of G.S.T. The various alternates, which were required to be priced separately, are included in the total tender price and are summarized on the attached (Appendix A). The low tender of \$2,458,074, which is the subject of this report, was submitted by R.M.T. Contracting Ltd.

3.0 Review of Low Bidder:

3.1 Project Experience:

R.M.T. Contracting Ltd. was incorporated in British Columbia in 1982. The company has completed several projects in recent years ranging from \$350,000 to \$2,400,000. Their clients have included:

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REPORT  
Regular Council Meeting  
1992 September 14

-2-

The City of Vancouver	-	Firehall/Library	\$2,400,000
The District of Coquitlam	-	Stadium Grandstand	\$1,000,000
The District of Surrey	-	New Firehall	
		under construction	\$1,100,000
Surrey School Board	-	Classroom Addition	\$ 480,000
B.C. Hydro	-	Power Station	\$ 430,000

### 3.2 Reference Checks:

Paul Merrick Architects and municipal staff have contacted consultants and clients who have worked with R.M.T. Contracting Ltd. The comments received are varied for various reasons, but generally favourable with respect to delivering a suitable finished product. During this investigation it became apparent from the comments received that the success of the project was highly dependent on the particular personnel assigned to the project. In this regard, the company has identified in the tender documents that their most experienced site superintendent and project manager would be assigned to the Riverway project.

### 3.3 Workmanship:

As part of the reference checking process, the Major Civic Building Project Coordination Committee inspected two projects recently constructed by R.M.T. Contracting Ltd. They include a Firehall/Library Building in Vancouver, and a new Firehall in Surrey which is currently under construction. Based on the Committee's observations, the workmanship was judged to be average in relation to industry standards but overall acceptable.

The Riverway Golf Course building design details will require that the general contractor take particular care to organize and coordinate the work of his subtrades to achieve an integrated project. This will include continuous diligent and careful attention to quality of construction process. As this project's architectural quality comes from the expression of its materials and construction systems, it is imperative that the day to day supervision offered by the general contractor imparts the appropriate attitude to their own forces and appointed subtrades as to the quality control, materials handling and installation procedures required on site.

In this regard, the low bidder has been advised of the client's and consultant's expectations which will include items such as quality concrete finishes, exposed carpentry work, and coordinated layouts of electrical and mechanical systems.

Given the appropriate supervision of the contractor's work by the architect and staff, the Corporation's quality standards can be achieved.

### 3.4 Bonding:

Staff, as part of the reference checking, has contacted R.M.T.'s bonding company, Argus Agency. The company's comments were positive and indicate that R.M.T.'s bonding limit is in excess of the tendered total.

Financial checks were also conducted with the Canadian Imperial Bank of Commerce in Vancouver. The bank manager indicated that R.M.T. Contracting Ltd. has been with them since the inception of the company, and according to their records they consider R.M.T. to be a "solid company". They further indicated that R.M.T. have a sufficient line of credit which is not being utilized.

3.5 Project Schedule:

The four companies that submitted tenders indicated construction schedules ranging from 30 weeks up to 42 weeks. R.M.T. Contracting Ltd. proposes substantial performance in 30 weeks. Staff is of the opinion that the contractor's schedule is optimistic given a number of factors such as difficult soil conditions on site, and potential weather delays during the winter and early spring seasons. The architect feels that a 40-week construction schedule is more realistic after considering all the variables. Assuming a construction start in mid-September, the facility would be completed in 1993 July based on a 40-week construction schedule. This time line extends beyond the anticipated opening date of the first nine holes in the spring of 1993.

R.M.T. Contracting Ltd. has indicated that if they are awarded the contract, the company could mobilize on site within a two-week period.

3.6 Recommendation:

The Major Civic Building Project Coordination Committee is of the opinion that R.M.T. Contracting Ltd. has the capability of undertaking this project. The Committee therefore recommends that a contract be awarded to R.M.T. Contracting Ltd. for their tendered amount. Paul Merrick Architects also concurs with this recommendation.

4.0 Project Budget and Funding:

The Cost Consultant's 90% estimate review, which was presented in 1992 July to the Parks & Recreation Commission and the Civic Development Committee, is as outlined:

- Total Construction of Buildings	\$1,671,300
- Site Development	851,000
- Design Contingency	<u>38,000</u>
TOTAL CONSTRUCTION COST, PHASE ONE (excluding GST)	\$2,560,400
- Development Costs	
Construction Contingency	
Furniture, Fixtures and Fittings	
Kitchen Equipment	
Testing, Geotechnical	
Permits, Surveys, etc.	
Design and Engineering Fees	
GST @ 3%	<u>909,600</u>
TOTAL PROJECT COST, PHASE ONE	<u>\$3,470,000</u>

Following receipt of the construction tenders, the final total project costs can be more accurately defined as follows:

- R.M.T. Tender for Building Construction and Site Development	\$2,458,074
- GST @ 7%	162,326
- GST Rebate	<u>(92,757)</u>
TOTAL:	\$2,527,643
- Development Costs Construction Contingency Furniture, Fixtures & Equipment Restaurant Kitchen Equipment Testing, Geotechnical, Permits, etc. Site Servicing Work Completed to Date Adjusted Design and Engineering Fees Hydro & Gas Service Connections GST @ 3%	<u>970,260</u>
TOTAL PROJECT COST:	<u>\$3,497,903</u>

4.1 Current Funding:

Partial funding is currently in place for the Riverway Golf Course Project. Under Bylaw No. 9607, a total of \$4,032,375 has been approved by Council of which \$1,012,680 has been allocated for the construction of the first nine holes and \$3,019,695 for buildings, servicing and parking lot construction.

Based on the current project budget, the balance of financing required to fully fund the project is \$478,208. This figure takes into account recent items introduced into the project such as the locker room fitout, increased kitchen area, revised kitchen equipment and an adjustment to the design and engineering fee reflecting the current construction totals.

In this regard, it will be necessary for Council to bring forward a bylaw in the amount of \$478,208 to finance the balance of the project funding.

5.0 Conclusion:

After completing extensive reference checks on R.M.T. Contracting Ltd., staff and Paul Merrick Architects have come to the conclusion that the contractor would be able to deliver a suitable project provided that their key personnel (i.e., site superintendent and project manager) are assigned to this project.

The Major Civic Building Project Coordination Committee and the architect have toured two of the contractor's latest projects and have judged their performance and workmanship to be acceptable. Given the types of materials and exposed finishing details in the Riverway project, the consultants will provide the higher level of supervision and guidance necessary to ensure that the details are well executed.

Both staff and the architects have discussed with the recommended contractor the municipality's requirements related to the quality finishes and workmanship expected, proper coordination of subtrades, and maintaining a realistic work schedule.

REPORT  
Regular Council Meeting  
1992 September 14

In conclusion, it would appear that R.M.T. Contracting Ltd. is capable of delivering a suitable product provided that there is strict supervision and control over the project by the contractor, architect, and the project manager. Based on the information obtained from the various sources mentioned in this report, the Major Civic Building Project Coordination Committee recommends that a contract be awarded to R.M.T. Contracting Ltd. for the tendered amount, and further recommends that a bylaw in the amount of \$478,208 be brought forward by Council to finance the balance of the project.

Respectfully submitted,

Councillor D.R. Corrigan  
Chairman

Councillor D. Evans  
Member

Councillor E. Nikolai  
Member

RIVERWAY GOLF COURSE DRIVING RANGE COMPLEX  
TENDER TABULATION - 1992 AUGUST 17

CONTRACTOR	TENDER TOTAL (Excl GST)	ALTERNATES						TOTAL ALTERNATES	SUBSTANTIAL PERFORMANCE
		(1)	(2)	(3)	(4)	(5)	(6)		
RMT CONTRACTING	\$2,458,074	59,461	30,000	5,000	5,000	38,000	33,900	171,361	30 WEEKS
DARWIN CONST.	\$2,641,000	35,000	35,000	15,000	15,000	35,000	15,000	150,000	40 WEEKS
BRANDON CONST.	\$2,740,000	54,000	14,700	6,000	6,000	36,000	32,000	148,700	32 WEEKS
MATHEWS PROJECTS	\$2,801,000	59,000	28,695	7,106	6,823	30,000	0	131,624	42 WEEKS
Hanscomb estimate	\$2,560,000	105,000	35,000	7,000	6,500	50,000	N/A		

Alternate #1 - Soft Landscaping and irrigation

Alternate #2 - Locker Room Fit-out

Alternate #3 - Air conditining in Pro Shop

Alternate #4 - Air conditioning in Coffee Shop

Alternate #5 - Removal, relocation and placing extg. preload material at phase 2 Clubhouse and Parking area sites.

Alternate #6 - Removal and dumping of residual extg. preload material (ie. remaining preload after relocation of extg. preload to Phase 2) at off-site permitted landfill selected by the Contractor.

NOTE: The alternate prices listed above are INCLUDED in the total tender price.