ITEM	Suppl 12
MANAGER'S REPORT NO.	30
COUNCIL MEETING	92/04/27

TO: Municipal Manager 1992 April 24

FROM: Major Civic Building Project Coordination Committee

SUBJECT: Burnaby Centennial Carousel Building at Burnaby Village Museum

PURPOSE: The purpose of this report is to request Council's approval to award a contract in the amount of $1,095,775 to ESPO Construction Ltd., for the construction of the Burnaby Carousel Building.

==========

RECOMMENDATION:

1. THAT Council approve the awarding of a contract in the amount of $1,095,775 (exclusive of GST) to ESPO Construction Ltd. for the construction of the Burnaby Carousel Building.

REPORT

1.0 Background Information

Council, at its meeting of 1991 July 22, adopted bylaw No. 9605 in the amount of $1,500,000 to finance the construction of housing and installing the Burnaby Carousel.

A tender call for the Burnaby Carousel Building was released on 1992 March 21, and closed on 1992 April 16. In accordance with Council's direction, the tender documents included Burnaby's Fair Wage Schedule, which is required to be completed by contractors submitting tenders.

The Parks and Recreation Commission, at their meeting of 1992 April 23 concurred with the recommendation of the Major Civic Building Project Coordination Committee to award a contract to ESPO Construction Ltd., for the construction of the Burnaby Carousel Building.

The Civic Development Committee, on the same date, also concurred with the recommendation of the Major Civic Building Project Coordination Committee to request that Council approve the awarding of a contract to ESPO Construction Ltd.

This report was submitted to the Parks and Recreation Commission and the Civic Development Committee to provide them with an analysis of the low tender including information on the Contractor submitting the low tender.

2.0 Tender Call Response

On 1992 April 16, a total of seven tenders were received by the Municipal Purchasing Agent.

The tenders submitted by the contractors ranged from a low of $1,070,000 to a high of $1,382,800. All tenders outlined a base price and listed two alternates and break-out prices as stipulated in the tender documents. A comparison analysis of the seven tenders received is attached (Appendix A).

The low tender was submitted by ESPO Construction Ltd., which was complete in all respects and provided a satisfactory timetable for construction.

ITEM Suppl 12
MANAGER'S REPORT NO. 30
COUNCIL MEETING 92/04/27

The total tender price (exclusive of GST) is comprised of the following:

1.	Base tender	$1,070,000
2.	Alternate No. 1 Increased basement area (1230 sq. ft.)	$ 16,838
3.	Alternate No. 2 Movable partition in Carousel support space	$ 8,937
	Total tender	$1,095,775

3.0 Project Budget

The quantity surveyor's estimate for the construction component of the project including the alternates, but excluding GST, totaled $1,214,500.

Under the present pricing, the low tender of $1,095,775 (including the alternates) is within the estimated construction budget.

For information, the approved budget of $1.5 million covers (in addition to construction costs) other associated costs such as:

- Professional fees
- Utility connection fees
- Furnishing and equipment
- G.S.T.
- Contingency costs

4.0 Project Funding

Council, at its meeting of 1991 July 22, adopted Bylaw No. 9605 in the amount of $1,500,000 to finance the entire construction of housing and installing the Carousel.

The anticipated funding sources were originally to be as follows:

Capital Reserves	$ 841,900
Carousel Association	190,000
GO B.C. Grant	465,590
	$1,497,490

However, the friends of the Carousel Society have been advised that their GO B.C. Grant application has been denied. With the denial of the GO B.C. Grant, the Corporation's share will now total $1,307,490. Funding sources have been amended to increase the draw from the Capital Reserves by $465,590 to allow the Project to proceed.

This information was conveyed to the Parks and Recreation Commission at its meeting of 1992 March 04, and subsequently to the Civic Development Committee in a report dated 1992 March 06.

This expenditure is in conformance with the draft 1992 - 1996 Capital Budget.

ITEM	Suppl	12
MANAGER'S REPORT NO.		30
COUNCIL MEETING		92/04/27

5.0 Discussion of the Low Bidder

ESPO Construction Ltd. was incorporated in British Columbia in June of 1973. The Company's head office is located in Calgary, Alberta, with a branch office in Surrey, B.C.

ESPO has completed several projects in recent years ranging in price from $100,000 to 6.6 million.

John Kerrigan Sproule Architects and municipal staff have contacted other Architectural firms and clients who have recently worked with ESPO Construction Ltd. The reference checks have been favorable and complimentary with respect to the Company's overall approach, workmanship, fairness on change orders, and management skills.

The Project Architect is satisfied with the caliber of the major subtrades named by ESPO Construction Ltd.

Based on the information provided, the Purchasing Agent concurs with the Committee's recommendation to award a contract to ESPO Construction, subject to them complying with the Corporation's legal and insurance requirements.

6.0 Conclusion

It is recommended that a construction contract be awarded to ESPO Construction Ltd. for the construction of the proposed Burnaby Carousel Centennial Building Project.

The submitted low tender is considered to be reasonable for a project of this magnitude and complexity.

It is the opinion of the Committee that ESPO Construction Ltd. has the necessary experience and resources to successfully complete the work of this project.

In conclusion, the Project Architect and the Major Civic Building Project Coordination Committee recommend, and the Parks and Recreation Commission and Civic Development Committee concur, that the low tenderer, ESPO Construction Ltd., be awarded the construction contract for the Burnaby Carousel Building.

W.C. Sinclair, Chairman, Major Civic Building Project Coordination Committee

D.G. Stenson for A.L. Parr, Director Planning and Building

D. Gaunt, Director Recreation and Cultural Services

TA:lb
enc.

cc: Municipal Manager
Director Finance
Chief Building Inspector
Municipal Solicitor
Purchasing Agent
Project Manager

APPENDIX "A"

COMPARISON ANALYSIS OF TENDERS RECEIVED FOR

BURNABY CAROUSEL BUILDING

CONTRACTOR	BASE BID	ALTERTATE 1 (BASEMENT)	ALTERNATE 2 (PARTITION)	TOTAL	SUBSTANTIAL COMPLETION
ESPO CONST. LTD.	$1,070,000	$16,838	$ 8,937	$1,095,775	27 WEEKS
ZAGREB CONST. LTD.	$1,160,000	$54,193	$13,590	$1,227,783	30 WEEKS
WOOD PROJECTS LTD.	$1,189,000	$75,000	$13,000	$1,277,000	36 WEEKS
COL-TER CONST. MGMT. LTD.	$1,191,900	NO PRICE GIVEN	NO PRICE GIVEN	_____	30 WEEKS
RMT CONTRACTING & EQUIPMENT LTD.	$1,244,180	$24,200	$10,360	$1,278,740	35 WEEKS
TEN-DEV. CONST. LTD.	$1,247,821	$37,785	$10,398	$1,296,004	40 WEEKS
B.G.M. CONST. LTD.	$1,382,800	$38,875	NO PRICE GIVEN	_____	34 WEEKS

TENDERS OPENED 1992 APRIL 16

ITEM Suppl 12
MANAGER'S REPORT NO. 30
COUNCIL MEETING 92/04/27