

**REPORT**  
**2000 MAY 15**

**CITY OF BURNABY**  
**CIVIC DEVELOPMENT COMMITTEE**

HIS WORSHIP, THE MAYOR  
AND COUNCILLORS

**RE: AWARD OF CONTRACT - MCGILL LIBRARY/ARCHIVE  
REPLACEMENT PROJECT**

**RECOMMENDATIONS:**

1. THAT Council award a contract to DGS Construction Ltd. in the amount of \$5,906,400 (inclusive of GST @ 7%) for the construction of the McGill Library/Archive Replacement project.
2. THAT a Capital Reserves Expenditure Bylaw in the amount of \$490,000 be brought forward to finance the balance of funding required to complete the project.

**R E P O R T**

The Civic Development Committee, at its meetings held on 2000 May 04 and May 10, reviewed the bids for the McGill Library/ Archives Replacement Project and recommended that Council be requested to award the contract to the low bidder, DGS Construction Company Limited. The Committee noted that the low tender by DGS Construction Limited exceeded the original budget estimate and it is necessary to bring forward a Capital Reserves Expenditure Bylaw in the amount of \$490,000 (inclusive of GST @ 7%) to cover the estimated shortfall and miscellaneous project costs.

Respectfully submitted,

Councillor D.R. Corrigan,  
Chairman

Councillor G.R. Begin,  
Member

Councillor D.G. Evans,  
Member

<b>:COPY</b>	<b>-CITY MGR.</b>	<b>-DIR. ENG.</b>
	<b>-DIR. PLNG. &amp; BLDG.</b>	<b>-DIR. FIN.</b>
	<b>-CHIEF. BLDG. INSP.</b>	<b>-PURCH. AGENT</b>
	<b>-CHIEF LIBR..</b>	<b>-CITY SOLICITOR</b>

**TO:** CIVIC DEVELOPMENT COMMITTEE

2000 May 11

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

**SUBJECT: AWARD OF CONTRACT -  
McGill Library/Archive Replacement Project**

**PURPOSE:** To request that Council award a contract to DGS Construction Ltd. for the construction of the McGill Library/Archive Replacement Project

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**Recommendations:**

1. **THAT** Council award a contract to DGS Construction Ltd. in the amount of \$5,906,400.00 (inclusive of GST @ 7%) for the construction of the McGill Library/Archive Replacement project.
2. **THAT** a Capital Reserves Expenditure Bylaw in the amount of \$490,000.00 be brought forward to finance the balance of funding required to complete the project.

**R E P O R T**

**Background:**

In 2000 January, the City undertook a prequalification process to select general contractors for the tendering of the McGill Library/Archive Replacement Project. The contractors were evaluated on the basis of past experience, qualifications, references and bonding ability. The evaluation process was conducted by City staff and the prime consultant James K.M. Cheng Architects Inc.

At the conclusion of the assessment the following eight General Contractors were prequalified and invited to tender the project:

1. Country West Construction Co. Ltd.
2. Darwin Construction Ltd.
3. DGS Construction Co. Ltd.
4. Ledcor
5. PCL Constructors Ltd.
6. Smith Bros. & Wilson (B.C.) Ltd.
7. Vanbots Construction Co. Ltd.
8. Dominion Construction Co. Ltd.

In 2000 March, tender documents were made available to the prequalified General Contractors through the City's Purchasing Department.

*Post Tender Analysis:*

At the close of tender on 2000 April 13, the following four valid bids were received with the low bid being submitted by DGS Construction Ltd. in the amount of \$5,906,400. (inclusive of GST @ 7%).

<b>Contractor</b>	<b>Base Bid \$</b>	<b>G.S.T. \$</b>	<b>Total \$</b>
1. DGS Construction Co. Ltd.	\$5,520,000.00	\$386,400.00	\$5,906,400.00
2. Darwin Construction Ltd.	\$5,914,000.00	\$413,980.00	\$6,327,980.00
3. Country West Construction Ltd.	\$6,048,535.00	\$423,398.00	\$6,471,933.00
4. Smith Bros. & Wilson (B.C.) Ltd.	\$6,357,380.00	\$445,017.00	\$6,802,397.00

The low bid is considered reasonable and is reflective of current market conditions and pricing in the building industry.

DGS Construction Ltd. has successfully completed numerous projects of this scale including the Bill Copeland Arena in 1997 for the City and has the necessary experience and qualifications to undertake a project of this scope and complexity.

In this regard, it is recommended that Council award a contract to DGS Construction Ltd. in the tendered amount of \$5,906,400 (inclusive of GST @ 7%) for the construction of the McGill Library/Archive Replacement Project.

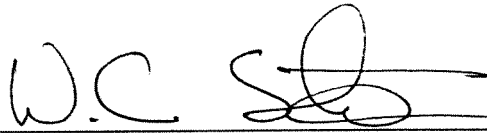
Financing:

The current funding in place for the McGill Library project totals \$6.25 million (inclusive of GST @ 3%) and is sufficient to award a contract to DGS Construction Ltd. in the specified amount. However, the low tender by DGS Construction exceeded the original budget estimate and it is necessary to bring forward a Capital Reserves Expenditure Bylaw in the amount of \$490,000 (inclusive of GST @ 7%) to cover the estimated shortfall and miscellaneous project costs. This project is included in the 2000-2004 Annual Capital Plan however the additional funding required will cause the budgeted amount to be exceeded.

Conclusion:

The four tenders received on the project from the prequalified General Contractors have been reviewed by the Civic Development Committee, James K.M. Cheng Architects Inc., and staff. Based on this review it is recommended that a contract be awarded to DGS Construction Ltd. in the tendered amount of \$5,906,400 (inclusive of GST @ 7%).

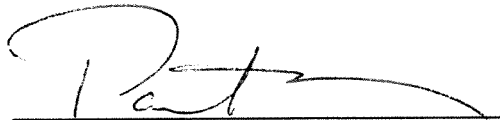
Subject to receiving the necessary approvals and the balance of funding requested, staff will proceed with the preparation of the contract for execution by the Contractor and the City and will proceed into the construction phase as soon as possible.



W.C. SINCLAIR, CHAIR, MAJOR CIVIC BUILDING  
PROJECT COORDINATION COMMITTEE



D.G. STENSON, DIRECTOR PLANNING & BUILDING



PAUL WHITNEY, CHIEF LIBRARIAN

JC:mdw

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cc: Director Finance  
Acting City Solicitor  
Purchasing Agent  
City Clerk  
Chief Building Inspector