



Item
Meeting	2016 February 22

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2016 February 15

FROM: MAJOR CIVIC BUILDING PROJECT COORDINATION COMMITTEE **FILE:** 4220 05

SUBJECT: AWARD OF CONTRACT - OFFICE RENOVATIONS – DEER LAKE CENTRE

PURPOSE: To award a contract for the renovation of office space for the Information Technology Department at Deer Lake Centre.

RECOMMENDATION:

1. THAT Council approve the award of a construction contract to Turn-Key Construction Inc., in the amount of \$506,604.00 (*including GST in the amount of \$24,124.00*) for the renovation of office space at Deer Lake Centre.

REPORT**1.0 BACKGROUND**

In 2015, staff undertook a review of possible options to generate an accommodation strategy for departments located within the West Building of the City Hall Complex, which are experiencing space challenges.

As part of the review, several options were explored to determine service delivery, relocation costs and best fit for space within the West Building. In addition, the review looked at available City-owned office space within Deer Lake Centre that could be used to accommodate the space requirements. After evaluating the options, it was determined that the most practical and cost effective solution involved the relocation of two major divisions of the Information Technology (I.T.) Department to available space in the Deer Lake Centre office buildings. These divisions include Program Delivery and Business Solutions and Support plus Special Projects which currently occupies office space on both the Ground Floor and 2nd Floor of the West Building. For operational reasons and other considerations, the Infrastructure Division will remain in the Ground Floor of the West Building.

The office space that is available in Deer Lake Centre is comprised of vacant small office spaces which have been consolidated to create approximately 6,700 sq. ft. of net useable office area. A separate smaller 1,700 sq. ft. unit will house Special Projects which is currently working on the new LIPS project.

Subsequent to this review, the City retained the firm of Studio One Architecture Inc. to proceed with the preparation of contract documents suitable for tendering.

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2.0 TENDER CALL

A tender call for renovation of the subject space within Deer Lake Centre was released to pre-qualified General Contractors on 2016 January 15 and closed on 2016 February 10. A total of five (5) tenders were received by the Purchasing Manager and are summarized as follows:

1.	Turn-Key Construction Inc.	\$ 506,604.00
2.	Halse-Martin Construction Co. Ltd.	\$ 524,203.05
3.	CDC Construction Inc.	\$ 583,206.00
4.	Deramore Construction Services Inc.	\$ 587,580.00
5.	Heatherbrae Builders Co. Ltd.	\$ 587,895.00

Note: These amounts are inclusive of GST at 5%.

3.0 LOW TENDER

Based on a comprehensive review of the tenders received, the lowest compliant tender was submitted by Turn-Key Construction Inc. in the amount of \$506,604.00 inclusive of GST @ 5%.

Reference checks undertaken on Turn-Key Construction Inc. during the pre-qualification process were favourable and complimentary with respect to the company’s overall approach and management skills. Turn-Key Construction Inc. has completed numerous other projects of this type and tender value.


4.0 RECOMMENDATION

The tenders submitted are competitive and reflective of current market conditions. The compliant low tender is within the approved construction budget for this project.

In order to advance the project into the construction phase, it is recommended that Council award a contract to Turn-Key Construction Inc. in the amount of \$506,604.00 (including GST in the amount of \$24,124.00) for the renovation of office space within Deer Lake Centre. Funding for this requirement is provided under Capital project BAX. 0011 (\$482,480.00) which is included in the 2016-2020 Provisional Financial Plan.



Leon Gous, Chair
Major Civic Building
Project Coordination Committee



Lou Pelletier, Director
Planning and Building

TA:jw

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- cc: Deputy City Managers
- Director Parks, Recreation and Cultural Services
- Purchasing Manager
- City Clerk
- Director Finance
- City Solicitor
- Chief Building Inspector