

DATE: July 19, 2017

FILE: 6130-20

TO: Chair and Directors
Electoral Areas Services Committee

FROM: Russell Dyson
Chief Administrative Officer

RE: Denman Cross Island Trail – Contract Award and Budget Amendment

Purpose

The purpose of this report is to seek approval to award the construction of the Denman Cross Island Trail between Swan Road and Corrigan Road for \$146,312 to Michael Rapati of Denman Island.

Policy Analysis

The “Comox Valley Regional District Delegation of Purchasing Authority Bylaw No. 284, 2009”, requires board approval for the award of contracts in excess of \$100,000.

The “Denman Island Community Parks and Greenways Service Establishment Bylaw No. 386, 2015” gives the Comox Valley Regional District (CVRD) the authority to acquire, develop, operate and maintain community parks and greenways.

At the June 27, 2017 board meeting the following motion was carried:

THAT an additional \$130,000 from Community Works Funds be approved for the Denman Cross Island Trail from Baynes Sound - Denman/Hornby Islands (Electoral Area A) for Denman Island Parks and Greenways service function 619 capital budget.

Executive Summary

The CVRD received four bids in response to the tender. This tender was posted on BC Bid on June 13, 2017 and closed July 13, 2017. Michael Rapati fulfilled the tender requirements and submitted the second lowest bid. Staff had concerns about the lowest bid’s cost and experience with building the geo bag retaining wall.

CVRD staff recommend awarding the contract to Michael Rapati for \$146,312. This price does not include applicable taxes and includes a seven per cent construction contingency. The amount also includes a reimbursable amount of \$11,800 payable by the adjacent landowner upon completion of the project.

The current financial plan has \$131,092 in funding from Community Works Funds. In June the board approved an additional commitment of \$130,000 to ensure funds were secured prior to going out to receive quotes to complete the project. Only a portion of this additional funding will be required, \$15,220 overage plus 15 per cent contingency for change orders (\$21,946.80) equals \$37,166.80.

Recommendations from the Chief Administrative Officer:

1. THAT the financial plan and capital expenditure program for Denman Island community parks and greenway service (619) be amended by increasing the Denman Island Cross Island Trail budget by \$37,166.80 to be funded from Community Works Funds.
2. THAT as a result of a competitive process, a contract be awarded to Michael Rapati for the Denman Island community parks and greenways service (619) Denman Cross Island Trail project between Swan Road and Corrigan Road in an amount not to exceed \$146,312 plus applicable taxes;

AND FURTHER THAT the Chair and Corporate Legislative Officer be authorized to execute the contract.

Respectfully:

R. Dyson

Russell Dyson
Chief Administrative Officer

Background/Current Situation

The CVRD continues to work on Denman Island to complete the cross island trail with the goal of providing a ferry to ferry active transportation corridor. This section of trail runs within the Denman Road dedication and the East Road dedication from Swan Road to Corrigan Road. Significant negotiations with the adjacent property owners and the Ministry of Transportation and Infrastructure (MoTI) were required for the success of this alignment. Some of the negotiations has resulted in partnering with the adjacent land owner for additional works completed on his property. The adjacent land owner has agreed to pay for these works.

The successful bidder will be required to construct approximately 1000 metres of gravel multi-use path, a geo bag retention wall, a boulder retention wall, drainage infrastructure, fencing and remove a number of trees. The preferred completion date is October 31, 2017 although the contractor has the option of completing on or before June 1, 2018.

Bids were evaluated based on an evaluation matrix score rather than on price alone. The following criteria were used to evaluate the bids:

- Lowest price to the CVRD of having services provided in accordance with the Scope of Work;
- Reputation and experience of the contractor in performing similar work with local governments; and
- Proof of ability to meet any time requirements or stipulations provided for in the Request For Quotes.

The following bids were received and received the following scores:

Contractor Name	Total Score
Landtec Ground Experts	85
Michael Rapati	87.5
Comox Valley Bobcat and Excavating Ltd.	77.7
Cutting Edge Enterprises Ltd.	60.6

Options

Options available to the board include:

1. Award the contract for the trail construction to Michael Rapati for \$146,312.
2. Award the contract to the lowest bid instead and risk incompletion of project due to lack of understanding of contract requirements.
3. Do not award the contract and re-tender at a later date.

Staff recommend option 1 given the desire to continue building the Denman Cross Island Trail and the bid price received.

Financial Factors

The 2017-2021 financial plan has \$131,092 in funding from Community Works Funds to support the construction of the Denman Cross Island Trail. In June of 2017 the board approved an additional commitment of \$130,000 to ensure funds were secured prior to going out to receive quotes to complete the project. The quoted price will only require \$37,166.80 of additional community works funds instead of the June commitment of \$130,000. This funding amount will also help cover any unforeseen change orders.

Legal Factors

New trails along a roadside present additional risk for the CVRD. These risks are inherent in operating a parks system and are acceptable to the parks service.

Regional Growth Strategy Implications

The Regional Growth Strategy does not apply to Denman Island.

Intergovernmental Factors

MoTI has issued a permit for the construction of the works within the road dedication (Ministry Permit # 2017-02363). This permit is valid until October 31, 2017. If construction of the works is not completed before this date, an amendment to this permit will be required.

The CVRD has a permit for a Licence to Cut pending with the Ministry of Forests, Lands and Natural Resource Operations for some tree removal within the trail alignment.

Interdepartmental Involvement

Completion of the project will require the involvement of financial services and legislative services.

Citizen/Public Relations

The Denman Cross Island Trail was a priority in the Denman Island Parks Masterplan. The trails committee has also met on several occasions to review the alignment.

A significant milestone has been reached with this phase of the project. Most of Denman Road with the exception of the big hill now has roadside trail along it. A small community celebration will be planned for the opening of this portion of the trail.

Prepared by:

Concurrence:

D. DeMarzo

T. Ian Smith

Doug DeMarzo, MCIP, RPP
Manager of Parks

T. Ian Smith, MCE
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