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September 12, 2024
Binnie File No. 24-0399

877 Keil Street
White Rock, BC
V4B 4V6

Attention: Kristian Davis, Manager of Public Works
Subject: Contract WR24-019 | 2024 White Rock Paving Program
Tender Analysis and Recommendation

Dear Kristian,

Six bids for the above *Tender* were received and opened at the Public Works Yard on September 10, 2024. We received the scanned and electronic copies of the tender submissions on the same day.

We have reviewed all the submissions for compliance and have carried out arithmetic checks to confirm the extended and total amounts. A summary of the tender analysis is enclosed.

The following comments relate to all tenders received:

- All *Tenderers* have submitted the required Bid Bond at 10% of the tender amount as well as Consent of Surety for (a) Performance Bond at 50% of the tender amount and (b) Labour and Material payment bond at 50% of the tender amount, with the exception of the following:
 - The submission by GB Paving submitted an electronic "E-Bond". Addendum #1 clarified that electronic bonds are not permitted by the City of White Rock.
- All *Tenderers* have acknowledged the receipt of the one addendum, with the exception of the following:
 - The submission by GB Paving did not acknowledge Addendum #1. The Owner may reject GB Paving's bid as a result.
 - The submission by Jack Cewe Construction did not acknowledge Addendum #1. The Owner may reject Jack Cewe Construction's bid as a result.
- All *Tenderers* have signed the *Form of Tender*;
- All *Tenderers* have fully and correctly completed the *Schedule of Quantities and Prices* in Appendix 1 of the *Form of Tender*, with the exception of the following:
 - GB Paving and Jack Cewe Construction have not acknowledged Addendum #1 resulting in incorrect quantities on Items 31.02, 32.01, 32.03, and 32.04.
- All *Tenderers* have indicated the completion of the *Work* within the specified duration and provided a Preliminary Construction Schedule per Appendix 2 of the *Form of Tender*; and
- All *Tenderers* have completed Appendices 1 through 5 as part of *Form of Tender* submission;

As noted above, the submissions from GB Paving and Jack Cewe Construction did not acknowledge Addendum #1 which both replaced the Schedule of Quantities and Prices and also clarified that electronic bid bonds are not accepted in the City of White Rock. It is our opinion that the bids submitted by both GB Paving and Jack Cewe Construction are non-compliant and may be rejected.

A detailed spreadsheet of the tender analysis is enclosed. Table 1 provides the tendered amount, corrected amount, and price comparison of the bids received.

Table 1 – Summary of Tender Analysis and Results

Rank	Tenderer	Tendered Amount with GST	Corrected Amount with GST	% Change from Lowest Bid
1	All Roads Construction	\$965,676.60		Lowest Bid
2	B.A. Blacktop Ltd.	Redacted S.21		Redacted S.21
3	Winvan Paving			
4	Lafarge Canada Inc.			

Average of Three Lowest Bids Received	\$979,768.35		7% increase
Comparable Engineer's Estimate (Incl. 10% contingency)	\$1,093,396.70		9% increase

*Bids from GB Paving and Jack Cewe Construction are not included above due to having submitted a non-compliant bid.

The following comments relate to All Roads Construction Ltd. regarding this Contract:

1. All Roads Construction has submitted the lowest and most competitive compliant bid received for the Work under this Tender;
2. All Roads Construction's submitted Preliminary Construction Schedule shows completing the work in Appendix 5 in 40 Working Days.
3. All Roads Construction's most recently completed construction projects of comparable nature to the Work described in this Tender, as provided in Appendix 2, include:
 - 2023 City of Coquitlam Dartmoor Area Pavement Rehab (\$1.9M)
 - 2023 City of Coquitlam Mariner Way Road Improvements (\$1.5M)

- 2024 Township of Langley Road Paving (\$2.8M)
 - 2024 Township of Langley MRN Paving (\$1.3M)
4. All Roads Construction has introduced Chad Veenstra as its Project Superintendent on this *Contract*. Based on their submitted portfolio, Mr. Veenstra has over 30 years of construction industry experience and has completed many road construction projects in a variety of roles. We have not had any experience with Mr. Veenstra before.
 5. All Roads Construction Ltd. is proposing to use Blue Pine Enterprises, Scottish Line Painting, Bayhill Contracting, and C&J Backhoe Services as the sub-contractors. Binnie has experience with these sub-contractors and are pleased with their work.

Based on the above analysis and the issue of Addendum #1 not being acknowledged by either GB Paving Ltd. or Jack Cewe Construction Ltd, we recommend that the City seek legal advice on the issue. In the Instructions to Tenderers – Part 1, Clause 5.2, it states that “The *Owner* reserves the right to reject any or all tenders or to accept any tender should it be deemed in the interest of the *Owner* to do so... The *Owner* will be the sole judge of such matters”.

Using GB Paving’s unit prices in the correct Schedule of Quantities and Prices issued as part of Addendum #1, the theoretical bid amount would be \$880,155.78 including GST, which would not change the tender rankings and would still be lower than the bid from All Roads Construction. The fact that GB Paving did not submit a compliant bid bond with their tender submission would also be a concern to review.

Please feel free to contact the undersigned at 604-579-0606 or kneufeld@binnie.com if you have any questions.

Respectfully,

R.F. BINNIE & ASSOCIATES LTD.

Kyle Neufeld, P.Eng., CCA
Contract Administrator

Encl.

BINNIE