Administration Report

Report Date: April 19, 2012
Meeting Date: April 23, 2012

To: City Manager
From: Jack Marsh, Project Manager for the West Quesnel Land Stability Program
Subject: West Quesnel Land Stability Program – Award of Tender for Horizontal Drain Installation

PURPOSE
To provide Council with a recommendation for the award of a contract to install nine (9) horizontal drains with respect to the West Quesnel Land Stability project.

SUMMARY
This work is part of the West Quesnel Land Stability (“WQLS”) Dewatering Program and is for the installation of nine (9) horizontal drains in the lower portion of the WQLS area to remove the ground water.

COUNCIL POLICY
The City’s purchasing policy states that all contracts over $200,000 must be approved by Council.

STRATEGIC OBJECTIVE
The WQLS project is the single largest project the City is currently committed to. The objective is to reduce land movement in that area to a manageable level.

FINANCIAL IMPLICATIONS
The estimated cost for this portion of the WQLS Dewatering Program – Installation of Horizontal Drains is $1,489,000. The low tender for drilling the nine (9) horizontal drains is $745,700 (plus HST). Additional costs to come out of this portion of the budget is engineering and inspection services for $284,000 and plumbing contractor support services for $80,000 which puts the WQLS task under budget.

BACKGROUND
On March 29, 2012 interested parties were invited to participate in a qualification-based submission for a contract to install 9 horizontal drains. Two companies submitted a response on the Closing Date of April 9, 2012 and after reviewing their qualifications they were asked to submit a bid with a deadline of April 17, 2012. One bid was received as follows:

(1) Jensen Drilling Company $745,700
A response was received from the second company, Foundex Exploration Ltd. indicating they would not be submitting a bid.

**ATTACHMENTS**

1. Letter from AMEC Environment & Infrastructure recommending the award of the horizontal drain installation contract to Jensen Drilling Company.
2. Bid Sheet from Jensen Drilling Company
3. Letter from Foundex Exploration Ltd.

**CONCURRENCE**

This tender has been discussed with Ken Coombs, Director of Public Works and Engineering and we agree with AMEC’s recommendation.

**OPTIONS**

1. Award the contract to Jensen Drilling Company;
2. Reject the tender bid.

**RECOMMENDATION**

That Council approve the award of a contract to Jensen Drilling Company for the installation of nine (9) horizontal drains in the amount of $745,700 plus HST.