



Item.....
Meeting..... 2017 Jun 12

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2017 June 07

FROM: DIRECTOR FINANCE **FILE:** 5820-20
Reference: 66-05/17

**SUBJECT: CONTRACT AWARD
SWANGARD TRACK RECONSTRUCTION**

PURPOSE: To obtain Council approval to award a contract for the Swangard Track Reconstruction project.

RECOMMENDATIONS:

1. **THAT** Council approve a contract award to Marathon Surfaces Inc. for an estimated total cost of \$882,000 including GST in the amount of \$42,000. Final payment will be based on actual quantity of goods and services delivered and unit prices as submitted.
2. **THAT** Council authorize the City to enter into contribution agreements with Western Economic Diversification Canada and Achilles International Track & Field Society as outlined in this report.

REPORT

Two submissions to a Request for Proposals (RFP) were received by the closing time on 2017 May 30. Based on the RFP's evaluation criteria, Marathon Surfaces Inc. received the overall scoring. The work of this contract includes the reconstruction, improved drainage and resurfacing of the existing 8-lane running track at Swangard Stadium.

The recommended company, Marathon Surfaces Inc., has experience with track surfacing, and is committed to important specified schedule constraints. It is noted that the contract includes a penalty/bonus clause to ensure on time completion of the project. Our staff and consultant's review indicates that the contractor has the equipment and personnel to successfully complete the work required under this contract. The Director Parks, Recreation and Cultural Services concurs with this recommendation.

The total cost of the Swangard Track Reconstruction project is \$950,000 which will consist of \$840,000 in construction costs and \$110,000 in design/contingency costs. The 2017-2021 Financial Plan reflects an \$840,000 budget for the replacement of the track. A reallocation of the Capital Plan from the Covered Sports Box project in the amount of \$110,000 has been made to ensure sufficient expenditure authority for the increased costs on the Swangard Stadium project to meet the estimated costs based on the bid process. As a result, the budget for this project has been adjusted to \$950,000 in the Capital Plan.

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The cost of the project will be offset by three significant financial contributions. The first comes from the Canada 150 Community Infrastructure Grant Program. Federal funding of \$420,000 or 50% of the project cost is being provided through this program. Additionally, a non-profit user group have committed to a \$250,000 contribution to the Track Reconstruction project. A contribution agreement has been reached with the non-profit group which specifies that the annual Harry Jerome International Track Classic will be held in Burnaby at Swangard Stadium for the next 12 years on the refurbished surface. A joint announcement with the funding partners will be arranged in the near future which adheres to the communications protocol for this project. The balance of the project, \$280,000 will be funded through Gas Tax funds as identified in the Capital Plan.

Approval for the use of capital contingency funding as an interim funding source is being requested in advance of the receipt of external contributions outlined above in order to meet construction timelines for the project. This capital work is provided for within the 2017 – 2021 Financial Plan under Capital project DPW.0283 (\$950,000).



Noreen Kassam
DIRECTOR FINANCE

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Copied to: Director Parks, Recreation and Cultural Services