

TO: MAYOR & COUNCILLORS
FROM: DEPUTY GENERAL MANAGER FINANCE
RESPONSIBLE DEPARTMENT(S): LANDS AND FACILITIES
SUBJECT: **CA – CONSTRUCTION MANAGEMENT AND CONSTRUCTION - BURNABY ART GALLERY AND MATHER HOUSE RE-ROOFING AND INSULATION PHASE 2**

PURPOSE: To obtain Council approval to award a Contract Award (CA) to Alfred Horie Construction Co. Ltd. for Construction Management and Construction of the Burnaby Art Gallery and Mathers House Re-roofing and Insulation Phase 2.

RECOMMENDATION

THAT a contract award to Alfred Horie Construction Co. Ltd. for an estimated total cost of \$1,995,000 including taxes outlined in the report titled “CA – Construction Management and Construction – Burnaby Art Gallery and Mathers House Re-roofing and Insulation Phase 2” dated June 10, 2025, be approved;

THAT an allowance for contingency of \$157,500 including taxes be approved; and

THAT final payment will be based on the actual quantity of goods and services delivered and unit rates as submitted.

1.0 POLICY SECTION

The City’s Procurement Policy requires that contracts for goods, services, and construction with values over \$500,000 be approved by Council following a competitive procurement process.

2.0 SUMMARY

This recommendation is to approve a contract award in the amount of \$1,995,000 including taxes and contingency of \$157,500 including taxes. Further contract details are outlined in Attachment 1.

3.0 BACKGROUND

Following a Request for Proposal, on January 29, 2025, the City awarded a contract to Alfred Horie Construction Co. Ltd. in the amount of \$5,880 including taxes for Phase 1 – Pre-construction services to review constructability and manage tendering bid packages for a final stipulated sum price.

Alfred Horie Construction Co. Ltd. was selected as the City’s Construction Manager (CM) in April 2025 under the CCDC 5B Contract (Phase 1). The CCDC 5B contract also known as “Construction Management at Risk”, where the proponent is responsible for both the management of construction and directly retains subcontractors and is responsible for their performance.

Under Phase 1, the CM is expected to review the design and specifications and inform the City and the consultant team of any major constructability issues that might delay the project's completion.

A CCDC 5B project involves retention of the CM prior to 100% design, with the CM providing insight and input to optimize the constructability of the design prior to finalization. Once the design is complete and updated, sequential tendering of construction trades (Phase 2) is completed by the CM, the parties can convert to stipulated price.

Under Phase 2, the CM will then advise the City on the most effective strategy for procurement of construction work, and the sequential tendering of construction trades as required to achieve the project schedule. Alfred Horie Construction Co. Ltd. has been working to obtain cost estimates and trade pricing for the work related to the project for the stipulated pricing. This work includes all remaining scope of work for the construction services.

The scope of work of this contract is for Phase 2 - construction services for the re-roofing and replacement of select windows while retaining the building's heritage character. The roof is being removed and replaced with cedar roofing which is in line with the current heritage style.

This stipulated price includes allowances for general requirements and contract management fees. Alfred Horie Construction Co. Ltd. will assume the risk associated with delivering the work of the contract within the stipulated price.

City staff have reviewed the contract award and believe it appropriately addresses our needs at a competitive cost.

4.0 GENERAL INFORMATION

The total estimated contract value is \$2,158,380 including contingency and taxes. Please refer to Attachment 1 for further details.

Review by City staff indicates that the vendor has the capability to successfully complete the work required under this contract. Alfred Horie Construction Co. Ltd. has worked with the City for over ten years on various projects.

5.0 COMMUNICATION AND COMMUNITY ENGAGEMENT

Request for Proposal (RFP) #015-01-25 Construction Management and Construction Burnaby Art Gallery & Mathers House Re-Roofing & Insulation was publicly advertised. Upon closing, the City received a total of four submissions.

6.0 FINANCIAL CONSIDERATIONS

Funding for this capital work is included in the 2025 – 2029 Financial Plan under the Annual Capital Maintenance Program for Lands & Facilities – Facilities Management – Component Lifecycle Replacement with an overall plan of \$66,263,300. This contract award will be accommodated under WBS element: ENX.0163 (\$2,152,500 including contingency and taxes).

Respectfully submitted,

Ratan Grewal, Deputy General Manager Finance

ATTACHMENTS

Attachment 1 – Contract History

REPORT CONTRIBUTORS

This report was prepared by Fred Jiang, Project Manager, Lands & Facilities, Scott Lovas, Assistant Manager, Procurement Services and reviewed by Sophan Lum, Senior Manager, Procurement Services – Capital.