



The new identity of Trow Associates Inc.

August 17, 2011

Reference No. 011778-A0

The Owners Strata Plan LMS 2833
c/o John Williamson Inc.
101 – 4126 Norland Avenue
Burnaby, BC V5G 3S8

Email: johnwilliamson@telus.net

Attention: Mr. John Williamson

Re: Trinity Place
Bid Summary for Limited Building Envelope Remedial Work at
2490, West 2nd Avenue, Vancouver, BC

Dear Mr. Williamson:

The tender period for the Limited Building Envelope remedial work at 2490, West 2nd Avenue, Vancouver, BC, closed on August 11, 2011. The bids received from six of the seven invited contractors are enclosed. Common Ground Construction Ltd. did not submit a bid.

The bid results are summarized in the attached Table 1: Bid Summary Spreadsheet.

Exp conducted an interview with Donald Sohm, Estimator of the New City Contracting Ltd. (New City), the lowest bidder, to discuss the scope of work and experience in similar projects.

The following is a commentary on the results on each of the lists included in the bid documents. Our recommendation on selecting the contractor based on our bid analysis is provided at the end of this letter.

Total Bid Price

The lowest Base Bid Price (including HST) was submitted by New City Contracting Ltd. (New City) with \$247,520.00; the second lowest bid was by JLK Projects Ltd. (JLK) with \$309,120.00 (24% higher than New City); the second and third bids were equal amount of \$329,280.00 by Centra Restorations Ltd. (Centra) and Sunrise Projects Ltd. (Sunrise). The last 2 bids were by Peak Restoration Services Ltd. (Peak) at \$358,400.00 and EPS Westcoast Construction (EPS) with \$384,117.44. Before the bid closed, Sunrise submitted a revised bid price. The revised cost is in a letter attached with the bid documents.

Duration of Work

New City proposed to complete the work in 25 weeks, JLK in 16 weeks and Centra in 18 weeks. Sunrise, Peak and EPS proposed to complete work in 20 weeks. Further discussion in regards to the scheduling and sequencing of the work will be held with the successful Contractor upon awarding the work.



Unit Prices

Unit prices seek to control the costs of certain types of work that are anticipated but unknown at the time of bidding. The following table summarizes the prices received for the Unit Price Items from the contractors:

Table 1: Summary of Unit Prices

No.	Item	Contractor's Cost					
		New City	JLK	Centra	Sunrise	Peak	EPS
1	Replacement of deteriorated wood trim with a sheet metal flashing on shims at the window sill of the brick veneer exterior wall locations in the ground floor units.	\$500.00	\$300.00	\$100.00	\$300.00	\$110.00	\$325.00

Note: JLK noted on their quote "no brickwork included".

Considering the quote for this unit price item by New City is substantially higher in comparison to other bidders, we will review the detail with New City and request for a revision or will have this item conducted on time and expense basis. Regardless, we do not believe the high bid cost for the Unit Price item 1 by New City will affect the position of the New City as the lowest bidder assuming 10 such locations requiring this Unit Price work.

Itemized Prices

Itemized prices are included in the bid price, but are identified individually for the Owners and Consultant's information. They typically enable separation of well-defined scopes of work. See the attached Bid Summary.

The following table summarizes the costs received for the Itemized Price Items from the contractors:

Table 2: Summary of Itemized Prices

No.	Item	Contractor's Cost					
		New City	JLK	Centra	Sunrise	Peak	EPS
1	Rehabilitation of the exterior wall assembly by replacing the existing exterior wall cladding and sheathing membrane with a rain-screen stucco assembly per the drawings and specifications. Include for the replacement of the doors, windows and installation of canopies (if any) within this portion of work.	\$66,080	\$59,000	\$200,000	\$47,000	\$45,208	\$136,562

2	Replacement of the deck membrane at all balcony decks in the building per the drawings and specifications.	\$50,150	\$138,000	\$50,000	\$149,000	\$16,500	\$20,000
3	Replacement of the deck membrane at second floor roof decks in the building per the drawings and specifications.	\$35,150	\$40,000	\$15,000	\$62,000	\$10,000	\$36,000
4	Replacement of exposed wood swing doors with new vinyl doors and installation of new glass canopies over exposed swing doors at all locations shown in the drawings (except the doors, canopies and windows included in Item 1).	\$69,620	\$39,000	\$25,000	\$57,000	\$30,517	\$50,400

The above is for information only.

Following clarifications regarding the breakdown of the prices by New City were made after the post-tender meeting:

- New City indicated the Item 1 contains all the mobilization and access costs.
- New City indicated Item 4 includes approximately \$19K for the cost of the aluminum railings pertinent to Item 2 and Item 3.

Separate Prices

Separate Prices are included to evaluate different options for the Owner to change the bid price by including or eliminating specific work from the scope of the base bid. Exp included one item under the Separate Prices list.

The following table summarize the prices received for the Separate Price Item from the contractors:

Table 3: Summary of Separate Prices

No.	Item	Contractor's Cost					
		New City	JLK	Centra	Sunrise	Peak	EPS
1	Provide a separate price for the rehabilitation of the exterior wall assembly at the North end of the East elevation as shown in the drawings.	\$35,500	\$31,000	\$31,000	\$43,000	\$23,560	\$62,781

Note: Sunrise submitted a revised Separate Item price. The revised cost is in a letter attached with the bid documents.



New City informed that the replacement of windows and doors within the exterior wall area of the east wall included in the Separate Price Item 1 were not included in the Separate Price Item 1 quote during the post-tender interview. Based on our further review of the documents, we identify a possible misinterpretation of the documents. New City further confirmed a price of \$8,018.02 to supply the new windows. New City confirmed the removal and installation of windows is already included in the Separate Price Item 1. New City confirmed there will not be any extra charges to discard the old windows if the work included in the Separate Price Item 1 is carried out at the same time as that of the work included in the base bid. Considering the low bid of approximately 25% compared to other bidders we understand New City has quoted the project competitively. We believe requesting New City to absorb the costs of the supply of windows will not benefit the smooth and successful completion of the project.

We note the relatively higher cost for this Separate Price Item when compared to the other bidders and the additional cost for the windows and doors provided after the post-tender meeting doesn't change the position of the New City as the lowest bidder.

Exp recommends including the Separate Price Item 1 including the replacement of the windows as part of the scope of work.

Alternate Prices

The alternate prices reflect the cost of implementing an alternate system and/or component to the scope of work. Exp included one item as Alternate Price Items.

The following table summarizes the prices received for the Alternate Price Item from the contractors:

Table 4: Summary of Alternate Prices

No.	Item	Contractor's Cost					
		New City	JLK	Centra	Sunrise	Peak	EPS
1	Provide an alternative price for the installation of an EIFS finished canopy over the exposed swing doors in lieu of the glass canopies. See details in the drawings for the intent.	(8,000)	(\$11,000)	(8,500)	DNS	(\$10,199)	(\$5,500)

Note: The costs shown in bracket are deductions to the base bid.

Exp included this alternative price item to provide an option in terms of aesthetics to the Strata. Strata to review and advise. Exp can meet with Strata to discuss the options.

Recommendations

The Estimator of New City informed not receiving the two addendums issued during the Tender period. Exp confirmed sending the addendums to the President of New City, which we understand was not forwarded. After the post tender meeting, New City reviewed the addendums and confirmed in writing the items included in the addendums will not affect the submitted base bid price.

Based on the above cost analysis, New City Contracting Ltd. is the preferred contractor. During the interview, Exp didn't notice any other issues in selecting New City to conduct the work. Exp recommends selecting New City as the successful bidder considering the lowest total bid. Exp will meet with New City to further clarify items and schedule once a Notice of Award is issued. We note the bid prices received are below the budget estimate provided by Exp.



Next Steps

The following steps will follow after the meeting:

1. The Strata must first review their budget and confirm that they wish to proceed with the work. Exp can meet with Strata to review the budget and discuss options. We have attached a recommended budget.
2. Once the above has been resolved, the Strata must decide and provide in writing which contractor will be awarded the work if they do not concur with our recommendation.
3. We will then issue a Notice of Award to the selected Contractor, and/or can enter into further negotiations with that contractor.
4. We will inform the other bidders regarding the selection of the successful contractor.
5. Once the remedial scope is confirmed, we will prepare a Contract for signature by the contractor. Note that the prices submitted by the Contractors are valid for 60 days (until October 10, 2011) since the date of Tender Closing date (August 11th, 2011).

Please contact us if you have any questions or concerns.

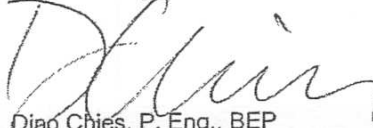
Sincerely,

exp Services Inc.



Sathya Ramachandran, B.Arch., M.A.Sc
Project Manager
Building Science Division

Reviewed by:



Qiao Chies, P. Eng., BEP
Building Science Division Manager
Branch Manager

Enclosure:

- Bid Summary
- Copy of received Bid Documents
- Proposed Budget





The new identity of Trow Associates Inc.

TRINITY PLACE

2490 West 2nd Avenue, Vancouver, BC

Ref. No.: 011778-A0

Date: September 1, 2011

POST-TENDER BUDGET UPDATE

Item #	Items	Post-Tender Budget	Comments
1	Base bid – includes rehabilitation of exposed exterior walls at the east elevation wall; replacement of balcony membrane (on all levels); replacement of second floor roof decks; replacement of exposed wood doors with vinyl swing doors.	\$221,000	Based on the quote by lowest bidder, New City.
2	Separate Price Item 1 – Rehabilitation of exterior wall assemblies with minimal overhang at the north end of east wall	\$35,500	Per New City
3	Post tender clarification – Price to include the supply of new windows for the area under Separate Price Item 1	\$8,018	Per New City
4	Contingency	\$72,400	Per further discussion with John Williamson Inc., we clarify the contingency amount is set aside for rot repair, any unforeseen structural deficiencies and any code non-conformance issues experienced during construction. Exp recommends a good contingency amount to ensure successful timely completion of project.
5	SUBTOTAL	\$336,918	
6	Engineering - Pre-construction	\$34,000	Includes \$2,000 for disbursements per Schedule A of exp Services Inc.
7	Engineering - Construction: Field Reviews and Construction Contract Administration	\$56,000	Contract administration and field reviews during construction per Schedule A of exp Services Inc.
8	Project Management	\$36,000	Estimated fees per John Williamson Inc.
9	Maintenance Manual	\$4,000	
10	Code and Structural Consultants	\$4,000	Estimate
11	Building permit	\$0.00	Normally waived by the City of Vancouver for building envelope repairs
12	Landscape repair, legal	\$10,000	Allowance only
13	SUBTOTAL	\$480,918	
14	HST (12%)	\$57,710	
15	Third Party Warranty Insurance	\$16,000	Estimate
16	City Damage deposit and inspection fee	\$2,500	Estimate – damage deposit portion of \$2,000 is refunded at completion of project.
17	TOTAL	\$557,128	

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TABLE 1 LIMITED BUILDING ENVELOPE REMEDIAL WORK AT TRINITY PLACE, 2400 W. 2nd Ave., Vancouver, BC Bid Opening August 11, 2011, 2pm Exp Services Inc. Project No. 011178A0									
BID SUMMARY									
		New City Contracting Ltd.		JLK Projects Ltd.		Centra Restorations Ltd.		Sunrise Projects Ltd.	
Bid Price		\$ 221,000.00		\$ 276,000.00		\$ 294,000.00		\$ 294,000.00	
HST		\$ 26,520.00		\$ 33,120.00		\$ 35,280.00		\$ 35,280.00	
Total Bid Price		\$ 247,520.00		\$ 309,120.00		\$ 329,280.00		\$ 329,280.00	
Duration of Work (weeks)		25		16		18		20	
UNIT PRICES (App. B)									
1 Window Sill Replacement		\$ 500.00		\$ 300.00		\$ 100.00		\$ 300.00	
(ITEMIZED PRICES (App. C))									
1 Exterior Wall Assembly		\$ 66,080.00		\$ 59,000.00		\$ 200,000.00		\$ 47,000.00	
2 Balcony Deck Membrane		\$ 60,150.00		\$ 138,000.00		\$ 50,000.00		\$ 149,000.00	
3 Deck Membrane (2nd Floor)		\$ 35,150.00		\$ 40,000.00		\$ 15,000.00		\$ 82,000.00	
4 Door and Canopy		\$ 69,620.00		\$ 39,000.00		\$ 25,000.00		\$ 57,000.00	
(SEPARATE PRICES (App. D))									
1 Wall Assembly (North, East)		\$ 35,500.00		\$ 31,000.00		\$ 31,000.00		\$ 43,000.00	
(ALTERNATE PRICES (App. E))									
1 EIFS Canopy vs. Glass		\$ 8,000.00		\$ 11,000.00		\$ 8,500.00		\$ 10,100.00	
(SUBS. SUPPLIERS (App. F))									
Demolition		Thermatech Demo		West York / Hamza		West York		R-Good Construction Ltd	
Carpentry		New City In House		JLK		own forces		Own Forces	
Vinyl Siding and Soffits		New City In House		JLK		own forces		Own Forces	
Stucco Cladding		BJ Plastering		PF Stucco		Excel Wall		R-Good Construction Ltd	
Windows and Swing Doors		Vinyltek		Euroline		Euroline		Allied/ Starline	
Urethane Traffic Membrane		Summerfield		HIL		Hallmark		Hallmark Decking	
2-ply Torch SBS Membrane		Crown		RMT Metalworks		Klassen		Design Roofing & Sheet Metal Ltd	
EIFS Installer		BJ Plastering		PF Stucco		Excel Wall		R-Good Construction Ltd	
Metal Flashing		Tri-City Flashing		Hydroseal		own forces		Own Forces	
Joint Sealant		New City In House		Contemporary		Contemporary		Contemporary Aluminum	
Guardrails		Spectrum Skyworks		Spectrum		Spectrum		Spectrum Skyworks	
Glass Canopies		New City In House		JLK		own forces		Own Forces	
Interior Finishes		New City In House		Werkmans		Ted's		Torresan Mechanical	
Plumbing		New City In House		RMS Electrical		Power Pros		J.T. Electrical	
Electrical		New City In House						Gregg Electric	
(LABOUR RATES (App. G))									
Site Supervisor		\$ 55.00		\$ 55.00		\$ 55.00		\$ 60.00	
Journeyman Carpenter		\$ 48.00		\$ 50.00		\$ 50.00		\$ 55.00	
Apprentice Carpenter		\$ 42.00		\$ 50.00		\$ 45.00		\$ 55.00	
Labourer		\$ 32.00		\$ 40.00		\$ 40.00		\$ 42.00	
EIFS Installer		\$ 55.00		\$ 55.00		\$ 50.00		\$ 55.00	
Stucco Installer		\$ 55.00		\$ 55.00		\$ 50.00		\$ 55.00	
Window and Door Installer		\$ 50.00		\$ 60.00		\$ 50.00		\$ 55.00	
2-ply SBS Membrane Installer		\$ 50.00		\$ 65.00		\$ 80.00		\$ 80.00	
Urethane Membrane Installer		\$ 50.00		\$ 65.00		\$ 80.00		\$ 60.00	
Guardrail Installer		\$ 65.00		\$ 80.00		\$ 80.00		\$ 60.00	
Glass Canopy Installer		\$ 65.00		\$ 80.00		\$ 80.00		\$ 65.00	
Drywall		\$ 55.00		\$ 80.00		\$ 50.00		\$ 65.00	
Painter		\$ 36.00		\$ 50.00		\$ 50.00		\$ 50.00	
Electrician		\$ 75.00		\$ 65.00		\$ 80.00		\$ 80.00	
Plumber		\$ 75.00		\$ 65.00		\$ 80.00		\$ 80.00	
Sheet Metal Worker		\$ 65.00		\$ 65.00		\$ 65.00		\$ 70.00	
Bid Bond (10%) Provided?		Yes		Yes		Yes		Yes	
List Of References?		Yes		Yes		Yes		Yes	
Other Comments		Included: Surety		Appendix B - brickwork not included; App.F - Vinyl Siding crossed out; Included: Consent of Surety, Insurance		Included: Surety		Sent a cover letter at later date to revise amount for stipulated Lump Sum and Separate Prices; Included: Surety's Consent	
								Included: Surety's Consent	