

To: Chief Administrative Officer **Date:** August 16, 2021
From: Jay Jackman, Manager of Development Engineering, Projects & Design
Subject: **Fraser River Forcemain Installation (River Crossing) Contract Award**

Recommendations

1. That in accordance with the RFP 2021-017 Fraser River Forcemain Installation document Section 3, 3.3(a), the City enter into an agreement in the form of an industry-standard Master Municipal Construction Documents (MMCD) contract with Fraser River Pile & Dredge (GP) Inc. for \$18,960,400 plus GST;
2. That the Mayor and CAO be authorized to execute the agreement in Recommendation #1; and
3. That, notwithstanding Policy FIN.24 (A) – Policy and Procedure Manual, approval of any future change orders relating to both the construction contract and the consulting contract, within the approved budget, and in accordance with the MMCD General Conditions as amended, be delegated to the Director of Engineering and Public Works.

Purpose

The purpose of this report is to gain Council support through resolution to award the contract resulting from Request for Proposal (RFP) 2021-017 Fraser River Forcemain Installation to Fraser River Pile & Dredge (GP) Inc, who submitted the highest scoring proposal in the amount of \$18,960,400 plus GST, and delegate signing authority to the Mayor, the CAO, and the Director of Engineering and Public Works.

Background

The following is a summary of milestones achieved to date:

- In 2017 the District was awarded grant funding under the Clean Water Wastewater Fund (CWWF) in the amount of \$6,898,023 to construct a sewer line under the Fraser River.
- In 2018 the District commenced work related to the design and construction of a secondary sanitary sewer main crossing below the Fraser River to the JAMES Wastewater Treatment Plant. The river crossing component did not proceed due to lack of available funding and environmental permitting complications.
- By early 2019 the land works were complete and environmental permitting was advancing.
- In early 2021 the environmental permitting was complete, an additional provincial grant in the amount of \$11,000,000 was secured, and a loan authorization bylaw was put in place to ensure adequate funding would be available for the river crossing component.
- In early July 2021 an agreement was reached with private landowners on the Mission side allowing the installation of the remaining pipe and placement of dredged sand.
- On July 6, 2021 RFP 2021-017 Fraser River Forcemain Installation (River Crossing) was

posted on BC Bid and the City's competitive bidding website.

- On August 10, 2021 the noted competition closed, and proposals were immediately evaluated and scored.

This report outlines the results of the scoring and the recommendation for contract award to advance the next phase of construction and complete the river crossing. Once the crossing is complete and the new pipe is tied into the existing system, flows will be switched over and the old pipe will be taken out of service.

Discussion and Analysis

The Request for Proposal (RFP) 2021-017 for the Fraser River Forcemain Installation was posted to BC Bid and the City's competitive bidding website. The RFP closed on August 10, 2021, and two compliant proposals were received.

The Fraser River Pile & Dredge (GP) Inc submission was the highest scoring proposal and meets the general requirements of the project. The Fraser River Pile & Dredge (GP) Inc proposal is considered best value.

Staff recommend that the City of Mission enter into an agreement in the form of a Master Municipal Construction Documents (MMCD) contract with Fraser River Pile & Dredge (GP) Inc. in the amount of \$18,960,400 plus GST. The MMCD contract is an industry-standard contract document developed by industry leaders with the objectives to be fair to all parties, to minimize the need for risk taking by the contractor, and to provide an equitable means for resolving disputes and addressing changes. In order to realize these objectives, the contract value will be subject to adjustment based on actual quantity measurements and approved changes to the contract. For this reason, the contract will require an allowance. For this contract, an allowance of \$3,792,000 (20%) would be necessary.

It should be noted that this is the second phase of a three-phase project. Following the installation of the river crossing pipeline, in accordance with the City's environmental approvals, habitat offsetting will be required as well as ongoing monitoring of both the river bottom and the offsetting works. The offsetting works will consist of new wintering pools created in the south reach of Lane Creek adjacent to the Mission Raceway property. These works are not part of this contract and will be procured as a separate project. These works will require additional environmental permits, property negotiations, and funding.

Council Goals/Objectives

This project is aligned with three of Council's goals/objectives as outlined below:

- **Safe Community** – The existing aging sanitary sewer forcemain has been in continuous service for over 35 years in a highly corrosive environment and is now at capacity. Replacement of this old pipe is necessary to ensure a safe community.
- **Secure Finances, Assets and Infrastructure** – Industry-standard competitive procurement practices were followed to retain the consultant and contractor to ensure fair market value. The project has been designed by good civil engineering practice and will be constructed under a contract that requires quality materials and workmanship to ensure that the proposed asset performs as intended through its design life.
- **Organizational Excellence** – This project will be administered through established practices that balance quality of product, cost, environmental best management practices and timely delivery guided by the MMCD objectives.

Financial Implications

This project is in the Council approved 2021 Capital Plan with a budget of \$28.5 million which includes funding from government grants and long-term debt. A summary of estimated project costs is listed below:

Estimated Project Costs:		
RFP 2021-017	\$18,960,400.00	For Award (plus GST)
Consulting Services	\$1,000,000.00	Estimated
Environmental Consulting	\$750,000.00	Estimated
Quality Assurance	\$35,000.00	Estimated
Land Agreements	\$20,000.00	Estimated
Legal Fees	\$20,000.00	Estimated
Project Allowance	\$3,792,000.00	
Estimated Project Cost (plus GST)	\$24,577,400.00	

With the proposed budget outlined above, there are sufficient funds identified to proceed with awarding the contract.

Communication

Communication regarding the project will be through digital media and direct contact with key stakeholders. The public can get project information and updates by visiting the City of Mission website project information page. Simply type "Fraser River Forcemain" in the search box. Additionally, the prime contractor will be required to place signage on both sides of the Fraser River identifying themselves as such.

In accordance with the environmental approvals obtained for this project, there will be comprehensive reporting to the various approval agencies.

In accordance with the grant requirements for this project, there will be monthly and quarterly reporting to the grant administrator.

In accordance with City protocol, Council and the public will receive project updates from staff as appropriate.

Summary and Conclusion

It is recommended that Fraser River Pile & Dredge (GP) Inc be awarded contract RFP 2021-017 Fraser River Installation Project in the amount of \$18,960,400 plus GST. That the Mayor and CAO be authorized to execute the contract documents, and that the Director of Engineering and Public Works be authorized to approve contract changes in accordance with the MMCD General Conditions as amended.

Report Prepared by: Jay Jackman, Manager of Development Engineering, Projects & Design

Reviewed by: Tracy Kyle, Director of Engineering & Public Works

Approved for Inclusion: Mike Younie, Chief Administrative Officer