

To: Chief Administrative Officer **Date:** June 20, 2022
From: Jay Jackman, Manager of Development Engineering, Projects & Design
Subject: **Wren Street Remediation Contract Award**

Recommendation(s)

1. That a budget of \$2,800,000 plus GST be approved for the Wren Street Remediation Project.
2. That the \$2,800,000 be funded as follows:
 - a. \$2,520,000 from the Disaster Financial Assistance funding through Emergency Management BC
 - b. \$280,000 from the Insurance Reserve
3. That the City's 2022-2025 Financial Plan be amended accordingly.

Purpose

The purpose of this report is to seek Council's approval to establish a project budget for the remediation of Wren Street for \$2,800,000 plus GST.

Background

In late November 2021 the local area experienced three "atmospheric rivers" which saturated the local landscape. The rainfall was in the magnitude of approximately a 1 in 100 year rain event for the 48-hour duration. During the third wave, Wren Street started showing signs of failure along the centerline of the road just north of Stuart Street. Within hours the road began to settle and was immediately closed to traffic. The road has been closed now since December 1, 2021. Before the City could start the effort of remediating the failure, it was critical to gain an understanding of what caused the failure in the first place. A group of consultants were called in and the area was investigated. Following the investigation, the consultants provided recommendations for repair. These recommendations were reviewed, and detailed design was initiated. Once the detailed design was complete, a Request For Proposal document was prepared and the local market was invited to provide their proposals for the construction phase of the works. The invitation was open from late April 2022 until early June 2022. Three proposals were received, and staff promptly reviewed and scored them in accordance with the scoring criteria set out in the RFP document. B&B Excavating & Shoring provided the highest scoring proposal (Best Proposal).

Discussion and Analysis

As this event was unplanned there was no budget established within the current capital plan. This event was also considered a natural disaster and as such the repair qualified for funding through the Disaster Financial Assistance (DFA) program administered through Emergency

Management BC. The cost sharing formula suggests that a minimum of 90% of cost would be eligible for recovery through the program with a maximum of 95% of the cost being eligible.

This section of road is a critical connection to the Silverdale area and is a route used by school buses, so staff are targeting a completion date of no later than September 2, 2022. To achieve this goal, it is critical the works commence as soon as possible.

The Delegation of Authority Bylaw allows the Chief Administrative Officer to approve up to \$1,000,000 in expenditures to respond to an emergency event. As the estimated cost of this project exceeds the authority delegated to the CAO, Council approval to add the project to the 2022 – 2026 Financial Plan is required. If Council approves the addition of the project, the Director of Finance can approve awarding the contract to complete the work to B&B Excavating & Shoring in accordance with their response to the Request for Proposal.

Council Goals/Objectives

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

- **Safe Community** – This project was identified through scheduled inspections by an engineering consultant and was flagged for replacement. To ensure vehicle, cyclist and pedestrian safety on City bridges, staff conduct inspections to identify deficiencies for inclusion into the Capital Plan.
- **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 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.

Financial Implications

This project budget breaks down as follows:

Project Costs:		
RFP 2022-010	\$2,293,905	For Award (excluding GST)
Civil Engineering	\$23,150	
Materials Testing	\$43,000	
Environmental Consulting	\$30,000	
Internal Resources	\$40,000	
Project Allowance	\$369,945	
Total Project Cost (excluding GST)	\$2,800,000	
GST	\$140,000	
Total Net Project Cost	\$2,940,000	

Emergency Management BC has confirmed that the Provincial government through the Disaster Financial Assistance program will provide funding to support the infrastructure repairs. The minimum funding assistance offered is 90% (\$2,520,000). The maximum funding is 95% (\$2,660,000). The costs not funded through the DFA program can be funded from the Insurance Reserve.

Communication

The road has been closed since December 2021. Communication for construction will be through letters, city website and social media. A “Notice to Residents” will be delivered to the residents in proximity of the project site. The notices will contain typical information including: a brief description of the scope of work, schedule, impacts to traffic and contacts for the contractor and Engineering and Public Works staff.

Summary and Conclusion

In late November 2021 the local area experienced three “atmospheric rivers” which saturated the local landscape. During the third wave, Wren Street started showing signs of failure along the centerline of the road just north of Stuart Street. Staff estimate it will cost approximately \$2,800,000 to repair the damage that occurred. As this project cost exceeds the authority granted to the Chief Administrative Officer a Council resolution to add this project to the 2022 – 2026 Financial Plan is required.

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

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

Approved for Inclusion: Barclay Pitkethly, Deputy Chief Administrative Officer