



REPORT

Report Date: February 11, 2020
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VanRIMS No.: 08-2000-20
Meeting Date: March 11, 2020
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TO: Standing Committee on Policy and Strategic Priorities

FROM: General Manager of the Engineering Services Department and Chief Procurement Officer

SUBJECT: Contract Award for Construction Services for the Phase 4 Closure and Gas System Upgrades – Vancouver Landfill

RECOMMENDATION

- A. THAT Council authorize City staff to negotiate to the satisfaction of the City's General Manager of Engineering Services Department, City's Director of Legal Services, and the City's Chief Procurement Officer, and enter into a contract with King Hoe Excavating Ltd. for Construction Services for the Phase 4 Closure and Gas System Upgrades – Vancouver Landfill, for a term of approximately (2) years, with an estimated contract value of \$20,979,393.26 plus applicable taxes over the term, to be funded through the 2019-2022 approved Multi-Year Landfill Phase 4 Construction Capital Project.
- B. THAT the Director of Legal Services, Chief Procurement Officer and General Manager of the Engineering Services Department be authorized to execute on behalf of the City the contract contemplated by Recommendation A.
- C. THAT no legal rights or obligations will be created by Council's adoption of Recommendations A and B above unless and until such contract is executed by the authorized signatories of the City as set out in these recommendations.

REPORT SUMMARY

The City issued an ITT No. PS20191496 Construction Services for the Phase 4 Closure and Gas System Upgrades – Vancouver Landfill on November 15, 2019 to vendors prequalified under RFEOI PS20191335 Vancouver Landfill Closure Contractor Prequalification. The ITT was advertised on City of Vancouver website and BC Bid and the work was called in accordance with the terms and conditions of the City's Procurement Policy ADMIN-008. City staff on the ITT evaluation committee and subsequently Bid Committee, have considered the responses received, and on that basis, recommend that the City enter into a contract as described above with King Hoe Excavating Ltd.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The City's Procurement Policy ADMIN-008 requires that contracts with values over \$2 million must be approved by Council following review and recommendation by the Bid Committee. The Bid Committee has considered and recommended King Hoe Excavating Ltd. as the successful tenderer.

CITY MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

REPORT

Background/Context

The City owns and operates the Vancouver Landfill in Delta, BC. Agreements between Metro Vancouver, Delta and Vancouver outline operating requirements and the Operational Certificate, issued by the Province of British Columbia, prescribes environmental requirements for the site.

The Landfill is being filled progressively in phases per the Design and Operations Plans developed by a consultant for the City in 2018. As each phase reaches final height, the Operational Certificate requires the phase to be closed within one year after final placement of garbage to minimize leachate generation and maximize gas collection. The City is using the current industry standard geomembrane closure system which must be installed in summer weather to allow for proper seaming of the panels and ensure its long term performance. Other integral closure system elements include gas, leachate, and stormwater works. These closure works are technically complex and require specialized and experienced contractors to construct.

ITT No. PS20191496 outlines the requirements for the construction of the next phase of progressive closure: Phase 4 South and a new stormwater pond in 2020, and Phase 4 North in 2021.

Strategic Analysis

The ITT was issued in the accordance with City’s Procurement Policy ADMIN-008. The City received responses from four (4) tenderers that were prequalified under RFEOI PS20191335 Vancouver Landfill Closure Contractor Prequalification:

King Hoe Excavating Ltd.	\$20,979,393.26
BD Hall Constructors Corp.	\$23,523,824.00
JJM Construction Ltd.	\$25,727,344.06
Jacob Bros Construction Inc.	\$32,084,992.85

The tender review was performed by Engineering Services Department staff and Supply Chain Management with support from Legal Services. Consultation for technical requirements was also done by the City’s consultant. The evaluation team determined that the tender submitted by King Hoe Excavating Ltd. is compliant with the ITT specifications and provides best overall value to the City.

Financial

Finance has reviewed and confirmed that funding is available from the 2019-2022 approved Multi-Year Landfill Phase 4 Construction Capital Project. As a result of the ITT, the City is able to achieve cost certainty for the proposed approximate two (2) year term.

Legal

The City’s Procurement Policy requires that all contracts that have been awarded by Bid Committee and Council will be signed by the Director of Legal Services.

CONCLUSION

In summary, City staff recommends that the City of Vancouver enter into a two (2) year contract, with King Hoe Excavating Ltd., for ITT No. PS20191496 Construction Services for Phase 4 Closure and Gas System Upgrades – Vancouver Landfill.

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