



COUNCIL REPORT

Report Date: November 13, 2024
Contact: Alexander Ralph
Contact No.: 604.829.2092
RTS No.: 17593
VanRIMS No.: 08-2000-20
Meeting Date: December 11, 2024
[Submit comments to Council](#)

TO: Standing Committee on City Finance and Services
FROM: General Manager of Engineering Services and Chief Procurement Officer
SUBJECT: Contract Award for Construction Services – City-wide Cut Repair Project

Recommendations

- A. THAT Council authorize City staff to negotiate an agreement for Construction Services for the City-wide Cut Repair Project with **All-Roads Construction Ltd.** for an estimated contract value of \$5,423,380.00 over the initial one-year term (pilot). If the pilot is successful and all extension terms are executed by the City, the estimated total contract value, including the first-year pilot, will be approximately \$30,000,000, which will be funded from the Engineering Public Works Operating Budget, from Billed Cut Fees collected in the Street Cut Reserve.
- B. THAT Council delegate its authority to execute the Agreement to the City's Director of Legal Services, Chief Procurement Officer, and General Manager of Engineering Services.
- C. THAT no legal rights or obligations will be created by Council's approval of Recommendations A and B unless and until the City executes and delivers the Agreement.

Purpose and Executive Summary

The City issued an PS20240795-ENG-RFP on June 26, 2024 for the City-wide Cut Repair Project with the goal of engaging a contractor with the ability and expertise to provide permanent restoration of the City's growing list of un-finished utility cuts. The City advertised the RFP on the City of Vancouver website in accordance with the City's Procurement Policy (ADMIN-008). City staff on the RFP evaluation committee and the Bid Committee have considered the responses received and recommended that the City negotiate an agreement with All-Roads Construction Ltd.

Council Authority/Previous Decisions

The City's Procurement Policy (ADMIN-008) requires Council approve contracts with a total value greater \$3,000,000 following review and recommendations by the City's Bid Committee. The Bid Committee has considered the bids and recommends All-Roads Construction Ltd. as the successful proponent.

There is no applicable Council authority or previous decisions related to this report.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

Roadway and sidewalk cuts are required for construction of sub-grade infrastructure. Any cuts which occur within the City require permanent restoration. The City charges utility companies who are unable to permanently repair these cuts at the time of construction and at which time a temporary repair is completed by the Utility Company. The City collects a fee to complete these permanent repairs later.

Street Operations has a growing backlog of approximately \$36M of permanent cut repairs to be completed. This work has historically been completed by City crews, but the number of repairs coming in has been exceeding the internal capacity to complete the repairs resulting in a growing backlog that has been further escalated because of inflation and escalating prices for materials, equipment, etc. The growing backlog is a financial liability, as delayed repairs cost more than was originally collected from the utility and often result in use of maintenance or capital budgets to add on repairs adjacent to the cut. Additionally, the delayed repairs are negatively impacting the asset condition and the appearance of the public realm.

To address these impacts, the City is looking to pilot having an external contractor completing approximately \$5.5M in backlogged repairs to complement the work of City crews. Once the pilot project is completed, Streets Operations will assess the potential to extend the multi-year contractor contract to have external capacity to assist with reducing the backlog and completing future repairs that exceed internal capacity.

This one-year pilot project consists of the ten North Districts, shown in red in Figure 1 below.

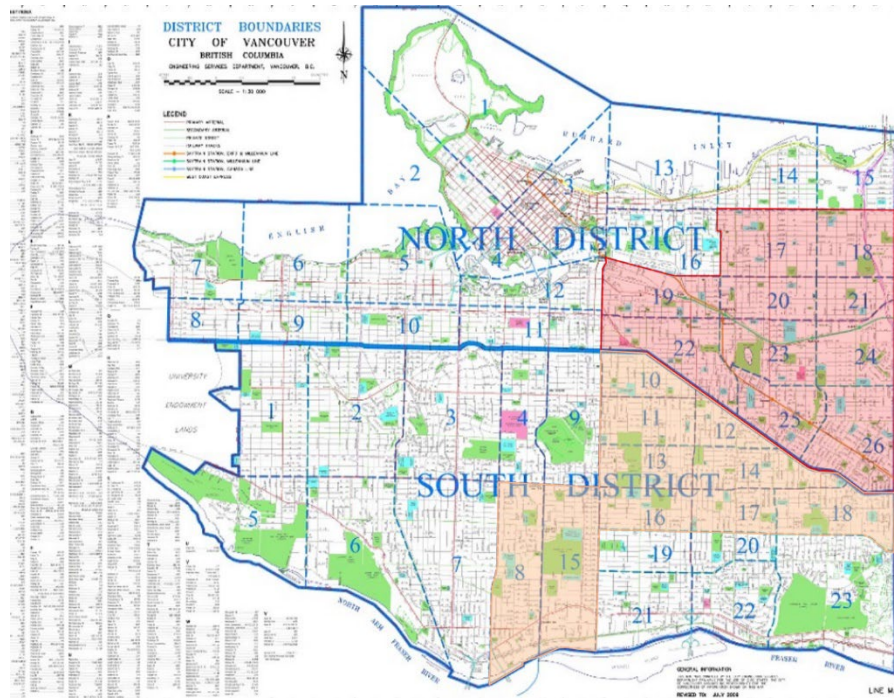


Figure 1 – City of Vancouver District Boundaries (red highlight shows one-year project extent)

The purpose of the RFP was to identify a supplier with the capability to meet the City’s requirements for repairing utility cuts in curbs, sidewalks and pavements while offering a competitive price and satisfactory service.

Discussion

The RFP was issued in accordance with the City’s Procurement Policy (ADMIN-008). The City received responses from:

Responses Received	Proponent
	All Roads
	Bortolo & Sons
	Burnaby Blacktop
	GB Paving
	Grandview Blacktop
	WestArc Construction

The responses were evaluated, using both quantitative and qualitative factors, by an evaluation team comprised of representatives from Engineering Services, under the stewardship of Supply Chain Management, to assess each response's overall value.

Some of the criteria considered in the overall evaluation process included:

- Proponents past experience and references,
- Project understanding and challenges and,
- Schedule and time for completion.

The evaluation team concluded that the proposal submitted by All-Roads Construction Ltd., best met the City's requirements and provided the best overall value to the City.

Financial Implications

Funding is available from the Engineering Public Works Operating Budget and from Billed Cut Fees collected in the Street Cut Reserve. Part of the contract will be paid from Billed Cut Fees in future years as the cuts are completed.

Legal Implications

The City's Procurement Policy (ADMIN-008) requires the Director of Legal Services to execute all contracts that have a total price in excess of \$3,000,000.

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