



COUNCIL REPORT

Report Date: April 2, 2025
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Meeting Date: May 7, 2025
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TO: Standing Committee on Policy and Strategic Priorities
FROM: General Manager of Engineering Services and Chief Procurement Officer
SUBJECT: Contract Award for Construction Services – Memorial West Park Trenchless Sewer Upgrade

Recommendations

- A. THAT Council authorize City staff to negotiate a construction agreement for the Memorial West Park Trenchless Sewer Upgrade project with Ward & Burke Microtunnelling Ltd. for an estimated total contract value of \$4,950,290.00 over the initial eight-month term of the agreement (the “Agreement”), which will be funded from the Sewer Renewal Program (Capital Plan 2023-2026).
- 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 above unless and until the City executes and delivers the Agreement.

Purpose and Executive Summary

The City issued Invitation to Tender PS20240898-ENG-ITT – Construction Services for Memorial West Park Trenchless Sewer Upgrade (the “ITT”) on December 10, 2024, for supply and trenchless installation of storm sewer main by microtunnelling and sanitary sewer main by sliplining. The trenchless construction methodology was selected as a cost-efficient alternative to open-cut excavation which would have necessitated the removal of 24 mature trees and had significantly greater impacts to park users including the lawn bowling club, tennis courts and baseball diamonds located immediately adjacent to the sewer alignment. The City posted the ITT on the City of Vancouver website and BC Bid in accordance with the City's Procurement Policy (ADMIN-008). City staff on the ITT evaluation committee and the Bid Committee have considered the responses received from the two compliant bidders and recommended that the City negotiate an agreement with Ward & Burke Microtunnelling Ltd., the lowest bidder.

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 Ward & Burke Microtunnelling 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

The City's sewer and drainage system is in place to enable safe and reliable collection, conveyance and management of sanitary sewage and rainwater runoff; the management of flood risk; and the protection of the ecosystem. The system collects sanitary waste and drainage from more than 100,000 service connections from homes and businesses, curbs and gutters flowing into 44,000 catch basins, a system of pipes 2,140km in length and 25 pump stations. This City system drains into the collections and treatment facilities operated by the Greater Vancouver Sewerage and Drainage District. In areas of the City with separated sanitary and stormwater pipes, rainwater runoff is discharged to outfalls along the City's waterfront.

As part of the City's Healthy Waters Plan and ongoing efforts to renew the aging infrastructure while reducing combined sewer overflows (CSO), the City is separating the combined sewer mains. This work aligns with the Metro Vancouver Integrated Liquid Waste and Resource Management Plan (ILWRMP) requirement to separate 1% of its combined sewer system per year and eliminate combined sewer overflows by 2050.

Approximately 88% of the combined sewer infrastructure in the Dunbar West catchment area is over 90 years old and in poor condition. As a result, there is large multi-year program to renew approximately 12km of aging combined sewer infrastructure with separated sewer mains in the Dunbar West catchment area bounded by Camosun Street (West), Dunbar Street (East), W 37th Avenue (South), and W 15th Avenue (North).

Within the Dunbar West catchment area there is a 750mm diameter combined sewer main that runs through Memorial West Park, along Highbury Street alignment. The Memorial West Trenchless Sewer Upgrade (MWTSU) project involves upgrading approximately 200 meters of sewer infrastructure as part of the larger Dunbar West renewal program. In addition to replacing and separating these pipes, they will also be increased in size to accommodate the future population growth and provide the appropriate service level for current and future climate conditions.

The contract scope consists of providing trenchless construction services for the supply and installation of sewer infrastructure at Memorial West Park to separate major combined sewer, specifically covering the following works:

- Installation of approximately 215 meters of 1200mm diameter reinforced concrete storm sewer main using micro tunnelling construction technology.
- Installation of approximately 200 meters of 375mm diameter PVC sanitary sewer main within the existing 750 mm combined sewer main using slip lining construction method.
- Installation of all storm and sanitary sewer service connections in the park.
- Restoration of all areas disturbed or otherwise affected by construction.

Trenchless and open-cut construction methodologies were considered for this work. Trenchless construction methodology is lower cost than open-cut construction estimates, primarily as a result of avoiding costs to remove and replace trees, and is recommended for this project location to achieve the following outcomes:

- Ensure minimal disruption to the surrounding environment.
- Preserve the mature trees (24) in the park and avoid \$800,000 in costs to remove and replace the trees.
- Reduce the excavation footprint within the park while maintaining efficiency and precision.
- Reduce the impacts to the park users.
- Minimize GHG emissions with less material hauling.

Separating the combined sewer main helps advance the City’s Healthy Water Plan objectives by reducing pollution from City’s sewer and drainage system, increasing sewer capacity to accommodate population growth and related development, and mitigating the impacts of climate change.

The purpose of the ITT was to identify and engage a specialized trenchless contractor with the capability to meet the City’s requirements while offering a competitive price and satisfactory service.

Discussion

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

	Tenderer	Price (excluding applicable taxes)
Responses Received	Michels Canada Co.	\$ 8,369,942.79 (base scope)
	Ward & Burke Microtunnelling Ltd.	\$ 4,536,854.00 (base scope)

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.

Ward & Burke Microtunnelling Ltd. is qualified to perform the work required for the project as set out in the tender package based on its strong background in microtunnelling and satisfactory completion of similar large projects, as well as satisfactory references.

The evaluation team concluded that the tender submitted by Ward & Burke Microtunnelling Ltd. met the City's requirements and provided the best overall value to the City.

Financial Implications

Financial Planning & Analysis (FP&A) has reviewed the cost of the goods and/or services and concurred that funding is available from the Multiyear Approved Capital Program Budget for 2023-2026 Sewer Renewal Program.

The City's network of pipes, which form the backbone of our critical infrastructure, has a current estimated replacement value of \$10.4 billion. To ensure the sustainability and functionality of this essential infrastructure, the 2023–2026 capital plan allocated \$329 million toward pipe-related projects. This contract will be used to deliver approximately 0.2 km of pipe renewal.

Legal Implications

The City's Procurement Policy (ADMIN-008) requires the Director of Legal Services to execute all contracts with a total value greater than \$3,000,000 that have been awarded by the Bid Committee and Council.

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