



## COUNCIL REPORT

Report Date: September 9, 2025  
Contact: Alexander Ralph  
Contact No.: 604.829.2092  
RTS No.: 18123  
VanRIMS No.: 08-2000-20  
Meeting Date: October 8, 2025  
[Submit comments to Council](#)

TO: Standing Committee on City Finance and Services

FROM: General Manager of Real Estate, Environment and Facilities Management and Chief Procurement Officer

SUBJECT: Contract Award for City-Wide Construction Contract 2025-2028

### Recommendations

- A. THAT Council authorize City staff to establish the City-Wide Construction Contract Program ("CWCC Program") under which the City will contract with a single Construction Manager on a long-term agreement to deliver a variety of construction projects and facilities maintenance work for the City, as and when needed, in accordance with the terms described in this report.
- B. THAT Council authorize City staff to negotiate to the satisfaction of the General Manager of Real Estate, Environment and Facilities Management, the Director of Legal Services, and the Chief Procurement Officer, and enter into an agreement (the "Agreement") with Scott Special Projects Ltd. to be the Construction Manager for the CWCC Program, with an initial term of three (3) years and options to extend for two (2) additional one (1) year terms, with a total estimated contract price of approximately \$105,000,000.00 plus GST over the initial 3-year term and approximately \$175,000,000.00 plus GST over the full 5-year term if all optional extensions are executed, to be funded through annual approved Capital Maintenance and Capital project budgets where costs will be charged to specific programs and projects as work is completed.
- C. THAT the General Manager of Real Estate, Environment and Facilities Management, the Director of Legal Services and the Chief Procurement Officer be authorized to execute the Agreement contemplated by Recommendation B for the City.
- D. THAT Council delegate its authority to the General Manager of Real Estate, Environment and Facilities Management, the Director of Legal Services and the Chief Procurement Officer to approve and execute construction agreements with the Construction Manager for individual projects awarded under the CWCC

Program using a non-standard contract approval process, based on competitive tender pricing submitted by the Construction Manager, as further described in this report.

No legal rights or obligations will be created by Council's adoption of Recommendations A through D above unless and until the parties execute and deliver the legal agreements described in the Recommendations.

## **Purpose and Executive Summary**

The City launched the first iteration of the CWCC Program in 2020 and based on successful results, staff are now seeking to renew the CWCC Program for a second term. The purpose of the CWCC Program is to mitigate issues resulting from executing large volumes of construction projects through single, discrete procurement processes by establishing an alternative program to decrease construction procurement administration and create efficiencies through a long-term partnership with a single Construction Manager.

In August 2024, the City of Vancouver issued a Request for Expressions of Interest (RFEOI) to invite Respondents with expertise in Construction Management and General Contracting to participate in a Request for Proposals (RFP) process for the CWCC Program. Nine responses to the RFEOI were received, and based on the City's evaluation process five Respondents were prequalified to participate in the RFP process.

The RFP was issued directly to the five prequalified Proponents and the City received five proposal submissions. Upon initial review of the received proposals, three Proponents were further shortlisted to move onto the final stage of the procurement process where in-person interviews were conducted. Following a robust interview and proposal clarification process between the three Proponent teams and City staff, the evaluation results were finalized and Scott Special Projects Ltd. was identified as the lead Proponent.

The RFP evaluation committee and Bid Committee recommend that the City negotiate and, if such negotiations are successful, enter into a Construction Management Agreement as described above with Scott Special Projects Ltd.

Per the City's Procurement Policy ADMIN-008, all contracts with values over \$3 million must be approved by Council following review and recommendations by the Bid Committee. City staff are seeking Council's approval of a deviation from the contract award authority under the Procurement Policy for the approval of construction contracts for individual projects under the CWCC Program, as described below.

## **Council Authority/Previous Decisions**

The City's Procurement Policy ADMIN-008 requires that contracts with values over \$3 million must be approved by Council following review and recommendations by the Bid Committee.

The Bid Committee has considered and recommended Scott Special Projects Ltd. as the successful proponent as Construction Manager for the CWCC Program.

Council's approval of the CWCC Program, per the recommendations above, includes a deviation from the City's Procurement Policy ADMIN-008 that is consistent with several similar pre-qualification programs approved in the past. Council's approval of the recommendations

would authorize staff to award construction contracts for individual projects executed under the CWCC Program over \$3 million through an alternate approval process, as described in this report, without further approval of each contract by Bid Committee and Council.

There is no applicable Council Authority or previous decisions relevant to this report.

### **City Manager's Comments**

The City Manager concurs with the foregoing recommendations.

### **Context and Background**

#### Purpose of CWCC Program

The City implemented the first iteration of the CWCC Program in 2020 as a strategic program aimed at mitigating issues resulting from executing large volumes of construction projects through single, discrete procurement processes. The goals of the CWCC Program were primarily to decrease administrative burdens on City staff, decrease project lead times, provide an efficient method to obtain pre-construction advice, and ensure accountability and high quality of work through a long-term partnership. More detailed strategic and financial benefits of the CWCC Program are summarized in Appendix A to this report.

Over 300 projects were completed during the five-year term of the initial CWCC Program, and based on its success the City now wishes to renew it.

The CWCC Program partner will:

- work in partnership with the City over the term of the Agreement, performing construction management services and completing projects on an as-needed basis when requested by the City;
- be required to provide all required project services including construction management, schedule management, cost management, construction estimates, value engineering, constructability reviews, pre-bid and bidding advice, subcontractor procurement, management of environmental hazards, and proactive health and safety management.
- implement a sustainable long-term project delivery program in close coordination with the City, with a focus on efficiency and continuous improvement; and

#### Projects Executed under CWCC Program

The CWCC Program is intended to be used for small to medium-sized projects (generally less than \$5,000,000.00 in total construction cost) and repetitive projects involving various construction and renovation services, including but not limited to the following:

- roofing services
- HVAC (including boiler replacements)
- building envelope work
- lighting retrofits
- renovations including upgrades to City assets, tenant improvements, emergency generators, ventilation, plumbing, electrical etc.
- minor civil renovations such as paving and other civil works.

The City owns approximately 600 facilities across Vancouver. The City's Real Estate, Environment and Facilities Management Department, Engineering Services Department and the Park Board are generally responsible for the construction, maintenance and capital maintenance of all buildings, parks, community centres, fire halls, non-market housing, childcare facilities, administrative buildings, landfills, yards and other civic assets owned by the City. These assets are evaluated periodically and programs of priority construction are established at minimum on an annual basis. A large portion of the projects awarded through the CWCC Program are identified through the City's annual capital and maintenance programs for the above-noted facilities.

The City expects the majority of projects that are completed through the CWCC Program to be executed on a design-bid-build model using a CCDC 2 stipulated price contract, with some projects of lower complexity anticipated to be completed as design-builds using a CCDC 14 design-build contract. The RFP for the CWCC Program included City template agreements for both of these delivery models.

Major capital projects will continue to be procured as single discrete procurements that are specifically targeted according to building type. The selected Construction Manager under the CWCC Program will be eligible to compete with other interested contractors for such projects.

## **Strategic Analysis**

### Summary of RFP Process

The RFP was issued in accordance with the City's Procurement Policy ADMIN-008. The City Received proposals from the following shortlisted Proponents:

- Canadian Turner Construction Co. Ltd
- EllisDon Corporation
- Etro Construction Limited
- Pomerleau Inc.
- Scott Special Projects Ltd.

The evaluation team was comprised of representatives from Real Estate, Environment and Facilities Management and Financial Services under the stewardship of Supply Chain Management. Evaluators considered technical, financial and sustainability aspects of the Proponents' proposals and interview responses. Evaluators considered both quantitative and qualitative factors to ascertain if the proposals offered good overall value to the City. Some of the specific criteria considered in the overall evaluation process included:

- pre-construction design-assist and constructability consulting,
- construction onboarding and ability to retain high-performing sub-trade contractors,
- key project personnel for the CWCC Program (recruiting and retaining),
- contractors' safety programs and records and ethical contributions,
- handling of conflicts on design and construction schedules, and
- post-construction wrap-up (specifically rectifying commissioning issues/deficiencies on 3rd party equipment and timely close-out of deficiency rectifications).

The financial section of the proposal contained each Proponent's proposed construction management fees in the form of a fixed percentage fee for each range of total construction cost.

Based on the overall evaluation, the team concluded that the proposal submitted by Scott Special Projects Ltd. best met the City's requirements and provided best overall value to the City.

#### Sustainable / Ethical / Environmental Factors

All Proponents under the RFP signed the City's Supplier Code of Conduct to certify that they meet the City's ethical standards for procurement.

The sustainability section of the RFP focused on Indigenous Participation; the scores are notably low as this is a developing area for these types of procurements and industry in general. Including this questioning with robust weighting in the RFP sends a signal to the construction market of the City's values and expected alignment, and allows the City to cooperate with the vendor and advance their knowledge and implementation of Indigenous Participation in their operations.

Scott Special Projects is a Certified B Corporation, which is a business that meets high standards of social and environmental performance, accountability, and transparency.

#### Non-Standard Contract Approval Process

This report is contemplating the approval of the entire CWCC Program. As such, each specific contract award for individual construction projects would not be approved via the City's standard contract approval process. This represents a deviation from the City's Procurement Policy, and is the same non-standard approach that was approved by Council for the first iteration of the CWCC Program.

Contract award approvals under the CWCC Program are proposed to be obtained through the City's requisition approval process. City staff will first solicit final pricing for a project from the Construction Manager based on competitive tendering to approved subcontractors. Contract approval will then be requested from management of the responsible department and from Finance by submission of a purchase requisition, with approvers determined commensurate to the contract value.

Based on the above staff would not seek Bid Committee (>\$1M) or Council (>\$3M) approval for individual contract awards. Staff are requesting this delegated approval authority because an alternative approval process is considered necessary in order for the CWCC Program to fulfill the primary goals of accelerating timelines to execute the construction projects (to reduce the City's exposure to construction market cost escalation), administrative load reduction and increased project schedule efficiency.

#### **Financial Implications**

Financial Planning & Analysis (FP&A) has reviewed the cost of the goods and/or service and concurs that funding is subject to each department (ENG, Parks & REFM)'s annual capital budget approved by Council. Project costs will be charged to specific programs and projects as work is completed for the Request for Proposal PS20251093-REFM-RFP - City-Wide Construction Contract 2025-2028.

## Legal Implications

Legal Services has supported the Supply Chain Management team through all stages of the CWCC Program procurement process, including creating approved template agreements for construction management services and construction work for individual projects. Legal Services will continue to support staff in negotiations with the selected Construction Manager and throughout the duration of the CWCC Program as needed. The Director of Legal Services will execute all required contracts as required by the City's Procurement Policy and in accordance with the alternative contract approval process described in this report.

\* \* \* \* \*

**APPENDIX A  
PAGE 1 OF 1****BENEFITS OF THE CWCC PROGRAM**

The benefits of the CWCC Program include, but are not limited to, the following:

- Administrative load reduction of up to 150 less procurements per year throughout a 3 to 5-year term;
- Reduction in cost due to economies of scale and volume pricing;
- Fixed fees at a low percentage of construction cost under a Construction Management model;
- Elevation in customer status to a "preferred customer" through the volume of business that will equate to higher performing personnel (A-team) and preferred terms for the work;
- Pre-planning opportunities that will allow the City to better schedule work to target prime market timing and increased throughput;
- Various opportunities for social enterprises to participate as subcontractors;
- Greater focus on sustainability and ethical procurement including better reach into local subcontractor market;
- Procurement cycle time reduction;
- Improved continuity in accommodating specialized requirements of sensitive sites/work environments (such as Manitoba Yard, Stanley Park etc.); and
- Market intelligence from the Construction Manager's experience in the industry.