



COUNCIL REPORT

Report Date: September 22, 2025
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VanRIMS No.: 08-2000-20
Meeting Date: October 29, 2025
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TO: Standing Committee on Policy and Strategic Priorities

FROM: General Manager of Engineering and Chief Procurement Officer

SUBJECT: Contract Award for Prequalified Contractors for Sewer Pump Station Projects - 2025

Recommendations

- A. THAT Council authorize City staff to negotiate memorandums of understanding with four new contractors and to continue under contract with nine previously prequalified contractors as part of the City's existing prequalification program for sewer pump station work, to the satisfaction of the City's General Manager of Engineering, the City's Director of Legal Services and the City's Chief Procurement Officer, with an estimated total program value of \$50,000,000, plus applicable taxes over years 4-7 of the program to be funded through capital project budgets as and when the work is required.
- B. THAT the Director of Legal Services, Chief Procurement Officer and General Manager of Engineering be authorized to execute on behalf of the City the contracts contemplated by Recommendation A.

No legal rights or obligations will be created by Council's adoption of Recommendations A and B above unless and until such contracts are executed by the authorized signatories of the City as set out in these Recommendations.

Purpose and Executive Summary

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. Critical components of this system are the City's 25 pump stations, which collect sewage in low lying areas and pump it to upland sewers or Metro Vancouver forcemains that convey the sewage to treatments plants.

In April of 2022 Council approved the Contract Award for Prequalified Contractors for Sewer Pump Station Projects under RTS 15026. This was to improve the delivery of the construction

and maintenance work of sewer pump stations and, at that time, the report recommended that the City establish a 9-year contractor prequalification program with reviews (“refresh”) of contractors every three years and the opportunity to post Request for Applications to invite new contractors to the program and return to Council for the approval of the contract award for contractors to be included in the prequalification list for years 3 and 6 of the program.

City staff recommends that the City of Vancouver continue to contract with the existing 9 contractors prequalified under the first 3-year term and add four additional prequalified contractors for the second 3-year term (years 4 through 7) for pump station construction, refurbishment, and repairs as part of the City’s existing prequalification program.

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 contract award approvals of the second phase (years 4 through 7) of this 9-year program.

The program and the initial stage for the first nine prequalified Contractors was awarded through Council Authority in 2022 under RTS 15026.

Under RTS 15026 City staff received 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 this 9-year program and delegates this approval authority to Engineering Services and Finance leadership, commensurate with value. Staff will continue to report to Council, on a quarterly basis, the projects awarded under this prequalification program and post this information on the City’s public website.

City Manager’s Comments

The City Manager recommends approval of the foregoing.

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. Critical components of this system are the City’s 25 pump stations, which collect sewage in low lying areas and pump it to upland sewers or Metro Vancouver forcemains that convey the sewage to treatments plants. Sewage pump stations are complex pieces of the sewer system containing pumps, electrical systems, and various mechanical equipment.

Traditionally, procurement of contractors to perform work in these pump stations has been through Invitation to Tenders (ITT), where the lowest cost, compliant bidder is automatically selected to perform the work. However, based on experience, this procurement approach is sub-optimal for the scope and market of this type of work. Previous projects have experienced problems with, amongst other issues, a lack of market interest to compete from the marketplace, quality issues during construction that cause additional costs and elongated timelines and approvals.

A Request for Applications (RFA) process was approved by Council in 2022 to create a 9-year long procurement program where a managed list of qualified contractors would be invited to bid

on and, subsequently, perform the work. This prequalification requires to be refreshed every 3-years as per trade agreement obligations.

Discussion

To initiate the first 3-year term of the program, the City issued RFA (PS20211014) on November 12, 2021. Thirteen (13) applications were received and nine (9) contractors were prequalified to participate in the program. To comply with trade agreements, the list of contractors has been refreshed for the second 3-year term of the program (years 4 through 7). An RFA (PS2025118) was issued publicly and closed on June 5, 2025 in accordance with the City's Procurement Policy (ADMIN-008). Six (6) submissions were received and applicants were evaluated on their expertise and experience, and their approach to sub-contractor procurement.

The report recommends that all 9 previously prequalified contractors remain on the list and 4 additional contractors be added to the prequalification program.

The prequalification refresh also led to new proposed rules of engagement and a revision of the thresholds (see Appendix A) for the recommended prequalified vendors to be offered opportunities to bid on the specific project work.

Each group of shortlisted contractors will be required to sign a Memorandum of Understanding that will allow the City to send them a Request for Service (RFS) along with a City construction contract pertaining to each specific project, as and when the City has a requirement for sewer pump station or related work. In three years, the same process will be followed for the third 3-year of the prequalification (years 7 through 9) to refresh the program.

The RFA to select the contractors for the first 3 years of the 9-year program prequalified the following contractors (in alphabetical order):

- Chandos Construction Ltd.
- Drake Excavating (2016) Ltd.
- GCL Contracting Inc.
- Graham Infrastructure LP
- Industra Construction Corp.
- Kenaidan Contracting Ltd.
- Maple Reinders Constructors Ltd.
- Merletti Construction (1999) Ltd.
- Westport Construction Group Inc.

For this second 3-year term, the RFA in 2025 the recommendation is that the City prequalifies the following four (4) additional contractors (in alphabetical order):

- NAC Contractors Ltd.
- PCL Constructors Westcoast Inc.
- Pomerleau Inc.
- Trittech Group Ltd.

The applications were evaluated through the work of an evaluation team comprised of representatives from the Sewers and Drainage Design Branch under the stewardship of Supply Chain Management to ascertain if the applications offered good overall value to the City.

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

- Proponent's depth of experience on projects involving pump stations (or similar

infrastructure) replacements, upgrades or repairs;

- Qualifications of the applicant's key personnel and their capacity to attend to City's requirements;
- Ability to manage subcontractors and proponent's own personnel to supplement subcontractor's work; and
- Proponent's safety qualifications.

Based on the overall evaluation, the team concluded that the applications submitted by the four recommended contractors best met the City's requirements and provided best overall value to the City. Similar criteria will be used to evaluate contractors in the next prequalification refresh during year 7 of the program.

Financial Implications

Financial Planning & Analysis (FP&A) has reviewed the cost of the goods and/or services and concurs that the projected value (\$50M) for the remainder of the 9-year program is in line with estimates, and that funding is available based on approved Multiyear Capital Budget for the Upgrade and Replacement of Pump Stations Capital Program.

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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APPENDIX A

BENEFITS OF THE PROGRAM

1. Qualified, experienced and proven contractors;
2. Ability for users of the program to involve contractors early;
3. Reduced administration for the City and the local construction market;
4. Better prices as a result of improved timelines and early contractor involvement;
5. Ability to meet urgent requirements;
6. Greater access to industry expertise through pre-construction consultations;
7. Establish a Memorandum of Understanding with pre-qualified contractors;
8. Increased velocity of procurements as and when required; and
9. Reviews of Pre-Qualified Contractors every three years with the possible addition of new contractors to the program and the elimination of some existing contractors from the program.

SCOPE OF WORK

1. The Services that will be required of the Pre-Qualified Contractors will include pump station (and associated infrastructure) repairs, modifications, upgrades, and full station replacements.
2. In completing these Services, the components or systems that may need work include (but are not limited to):
 - a. Electrical distribution and related appurtenances (VFD's, MCC's, station lighting, etc.);
 - b. Control systems and instrumentation (PLC's, level controllers, floats, etc.);
 - c. Process and mechanical systems including piping, pumps, valves, and related appurtenances;
 - d. Ventilation systems (blowers, ducting, odour scrubbers, etc.);
 - e. Various facility structural and architectural elements (doors, windows, roofing, cladding, railings, etc.);
 - f. Civil works including underground piping (forcemains, sewers, manholes, electrical ducts, etc.);
 - g. Surface treatment repairs and restorations including asphalt, concrete, and landscaping;
 - h. Cranes and lifting equipment;
 - i. Sediment and erosion control;
 - j. Excavation stability, shoring, and dewatering;
 - k. QA/QC testing (backfill compaction, concrete cylinder, welding NDT, etc.); and
 - l. Other miscellaneous facility related infrastructure not specifically identified above.
3. In performing these Services, additional work may include (but is not limited to):
 - a. Confined space entry;
 - b. Traffic control;
 - c. By-pass pumping; and
 - d. Prime contractor responsibilities.

RULES OF ENGAGEMENT (thresholds based on estimated project budget)

- \$1,500,000 or less - quote with one or more prequalified contractors;
- Over \$1,500,000 but under \$8,000,000, quote with three or more prequalified contractors;
- Over \$8,000,000 but under \$20,000,000, quote with all prequalified contractors; and

- Over \$20,000,000, the City will follow its standard procurement process and issue a public Invitation to Tender (ITT) for any qualified contractor to bid on, including contractors who are not in this program.

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