



COUNCIL REPORT

Report Date: June 30, 2026
Contact: Jesse Goranson
Contact No.: 604.829.2092
RTS No.: 18655
VanRIMS No.: 08-2000-20
Meeting Date: July 15, 2026
[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 Pre-qualified Contractors for Gas, Closure, and Other Landfill Work

Recommendations

- A. THAT Council authorize City staff to establish the Landfill Gas and Closure Construction Program 2 ("LCCP2"), in which the City will prequalify certain contractors and have them competitively bid on various landfill gas and closure construction projects with a total estimated cost of \$34,400,000, plus applicable taxes, over a three-year term, funded through capital project budgets, as and when the work is required, in accordance with the terms generally described in this report.
- B. THAT Council delegate its authority to the City's Chief Procurement Officer to execute binding memoranda of understanding with each of the following pre-qualified contractors: KBL Projects Ltd., Jacob Bros. Construction Ltd., BD Hall Constructors Corp., and King Hoe Excavating Ltd., to participate in the LCCP2, in accordance with the terms generally described in this report.
- C. THAT Council delegate its authority to the General Manager of Engineering and the Chief Procurement Officer to execute construction agreements with the contractor who submits the lowest bid for each Landfill construction project that City staff tenders to the pre-qualified contractors under the LCCP2;

FURTHER THAT no legal rights or obligations will be created by Council's approval of Recommendations A through C above unless and until the parties execute and deliver the legal agreements described in the Recommendations.

Purpose and Executive Summary

Per the City's Procurement Policy ADMIN-008, all programs 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 City's proposed LCCP2.

The purpose of the LCCP2 is to enable City staff to execute construction agreements more quickly with pre-qualified contractors, ultimately saving time and effort on critical work as well as improving the quality of bids received. This program will result in a timeline reduction of approximately six weeks per project which improves coordination of construction work with the Landfill filling plan. It also allows for a qualitative evaluation to shortlist the vendors participating in the LCCP2. All of the agreements executed under the LCCP2 will be competitively tendered to the shortlisted vendors and awarded based on lowest cost bids.

The City issued a Request for Applications PS20261618-ENG-RFA Contractor Pre-Qualification for Closure and Other Landfill Works (the RFA) on April 9, 2026. The RFA was advertised on the City of Vancouver website and BC Bid and administered in accordance with the terms and condition of the City's Procurement Policy ADMIN-008. City staff on the RFA evaluation committee, and subsequently Bid Committee, have considered the responses received and, on that basis, recommend that the City offer a Memorandum of Understanding to each of the four (4) shortlisted vendors. The vendors will then be prequalified to bid on three or more Invitation to Tenders (ITT) packages over the three-year term of the LCCP2.

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. Council's approval of the LCCP2, per the recommendations above, is a deviation from the City's Procurement Policy ADMIN-008 but consistent with several similar pre-qualification programs approved in the past, including LCCP1. Council's approval of the recommendations would authorize staff to award contracts over \$3 million to prequalified contractors through a Contract Approval Summary process without further individual approval of each contract by Bid Committee and Council.

The Bid Committee has considered and recommended that four (4) vendors be prequalified.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

The Landfill has active programs for construction of landfill gas (LFG), closure and ancillary works to meet the following regulatory requirements:

- The Landfill's Operational Certificate requires LFG collection and destruction and the Province set a target of LFG collection efficiency of 75%, and new federal regulations were enacted to require actions to reduce LFG emissions.
- The Landfill's Operational Certificate requires final cover to be applied within one year of final placement of garbage.
- The City has received funding awards from the Province for gas and closure works, resulting in quantity and schedule commitments.

Historically, procurement of contractors to perform this work has been through ITT, where the lowest cost, compliant bidder is selected to perform the work. However, based on experience, this procurement approach is sub-optimal for this type of work because of the relatively high frequency of contractor health and safety incidents, quality issues during construction, inability to meet tight construction deadlines, issues with supplier and subcontractor management, legal disputes, and a lack of competition during procurement resulting in high prices. In addition, the extra time required posed challenges in coordinating construction work with the Landfill filling plan.

To better respond to the requirements of this specific Engineering asset class, City staff are recommending continuing with the long-term program procurement approach adopted in LCCP1 in 2023. City staff posted the RFA in 2026 to create the LCCP2, where a managed list of qualified vendors will be invited to bid on and, subsequently, perform the work. The purpose of the RFA was to identify vendors with demonstrated capability to meet the City's estimated demand over the term of the contract at competitive pricing and satisfactory service standards. To comply with applicable trade agreements, the term of the LCCP2 is limited to three years. Looking ahead, two routine landfill gas work tenders and one closure tender are planned under the LCCP2 as well as construction of stormwater management works that are currently in conceptual design.

The shortlisted contractors will be requested to sign Memoranda of Understanding that will allow the City to send them ITTs along with a City construction contract, specific to each project, as and when the City has a requirement for closure or related works. The ITT packages will request bid, performance, labour and material and other bonds, as appropriate, according to the Canadian construction industry standards. The final vendor selection will be based on the lowest priced, compliant bid. Prior to initiation of the ITT, each specific project will require to commence the procurement process with department and Finance approval, commensurate with the contract value as per the City's delegated expenditure authority levels.

This report is contemplating approval of the entire program and, as such, each specific contract award will be approved via the City's standard Contract Approval Summary (CAS) process, which requires approval from Engineering and Finance leadership, commensurate to value. The team will not be seeking Bid Committee or Council approval for construction contracts awarded under this program for the three-year term, all of which City staff anticipate will be over \$3M in value.

Discussion

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

- BD Hall Constructors Corp.
- Delta Aggregates Ltd.
- Jacob Bros. Construction Inc.
- KBL Projects Ltd.
- King Hoe Excavating Ltd.
- M2K Construction Ltd.
- Matcon Knappett Industries Ltd.

The responses were evaluated, using both quantitative and qualitative factors, by an evaluation team comprised of representatives from the Engineering Department and Workplace Safety, 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:

- Respondent's depth of experience on projects involving landfill closure or related work.
- Qualifications of the applicant's key personnel and their capacity to attend to the City's requirements.
- Ability to manage subcontractors and proponent's own personnel to supplement subcontractor's work.
- Respondent's safety qualifications and safety management processes.
- Compliance with City policy and insurance and bonding requirements. and
- Indigenous participation, employment equity and workforce diversity.

Based on the results of the overall evaluation, the team concluded that the applications submitted by the following vendors best met the City's requirements and should be prequalified by the City for Landfill Gas and Closure Works:

- BD Hall Constructors Corp.
- Jacob Bros. Construction Inc.
- KBL Projects Ltd.
- King Hoe Excavating Ltd.

Financial Implications

Finance has reviewed and confirmed that funding is available from the approved Multiyear Capital Budget from the 2023-2026 Landfill Routine Gasworks and Closure Programs and the remaining funding will be coming from similar programs in the 2027-2030 Capital Plan based on available approved funding. Actual funding for each specific project will be concurred on by Finance prior to initiating the procurement process as and when the work is required.

Legal Implications

The City's Procurement Policy requires that all contracts that have been awarded by Bid Committee and Council be signed by the Director of Legal Services. The recommendation of this report is that Council delegate its authority to the General Manager of Engineering and the Chief Procurement Officer to execute construction agreements with the contractor who submits the lowest bid for each Landfill construction project that City staff tenders to the pre-qualified contractors under the LCCP2 program. Legal Services has reviewed and concurs with this proposed approach, and will support staff as needed during the tendering and contracting processes for the program.

* * * * *