

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: June 13, 2022

TO: Mayor and Council

FROM: Jim Gordon, P.Eng., Director, Engineering and Municipal Operations

SUBJECT: Contract Award - Helen Fathers Centre Street Walkway Upgrades and Improvement Project

RECOMMENDATIONS

THAT Council:

1. Receive for information the corporate report dated June 13, 2022, from the Director of Engineering and Municipal Operations, titled “Contract Award – Helen Fathers Centre Street Walkway Upgrades and Improvement Project,” and
2. Approve the award of the Helen Fathers Centre Street Walkway Upgrades and Improvement Project construction contract to Cedar Crest Land BC Ltd. in the amount of \$2,415K (excluding GST), with a total construction expenditure limit of \$3,019K (excluding GST) subject to Council approval of the Financial Plan 2022 Amendment proposed on the June 13, 2022 Agenda.

PREVIOUS COUNCIL DIRECTION

Motion # & Meeting Date	Motion Details
2021-414 October 25, 2021	<p>That Council give first, second and third reading to “White Rock Financial Plan (2021-2025) Bylaw, 2021, No. 2377, Amendment No. 2, 2021, No. 2403” as presented and circulated ON -Table</p> <p style="text-align: right;">CARRIED</p> <p>Note: White Rock Financial Plan (2021-2025) bylaw, 2021, No. 2377, amendment No. 2, 2021, No. 2403 Bylaw 2403 – A bylaw to amend the Financial Plan for 2021 to 2025 as follows:</p> <ul style="list-style-type: none"> • add \$111K to the 2021 Financial Plan for a new regular full time Solid Waste Coordinator position starting in December 2021, \$8K to 2021 and \$103K to 2022, funded from Reserves; • Add \$650K for the Centre Street Walkway Project funded from CAC’s; and (as presented On-Table); • Add \$50K to the 2021 Financial Plan for a consultant to assist with the Request for Proposal for a Solid Waster Contractor funded from Reserves.

<p>2021-361 October 4, 2021</p>	<p>THAT Council support R.F. Binnie & Associates’ Centre Street Walkway Preliminary Design Option as circulated, as it is more walkable, sustainable, and cost-effective; and direct staff to proceed with the detailed design and construction of Option B.</p> <p style="text-align: right;">CARRIED</p>
<p>2021-116 March 8, 2021</p>	<p>THAT Council approve a budget of \$900K from Community Amenity Contributions (CAC) based on the conceptual design for the Centre Street Walkway provided to Council in 2014 and attached as Appendix A and direct staff to commence the initial project steps, including preliminary design, as described in this report.</p> <p style="text-align: right;">CARRIED</p>
<p>2021-F&A-030 February 22, 2021</p>	<p>THAT The Finance and Audit Committee reconfirms the project noted in February 22, 2021, the corporate report titled “Community Amenity Contribution (CAC) Project Options Update” as a. Centre Street Walkway Upgrades/ but now noting 2021 as the year/with the budget amount \$500,000.</p> <p style="text-align: right;">CARRIED</p> <p>Note: It was noted the design from 2014 included tree trunks, these were not well received, and the Committee does not want them to come back again as part of the future plan.</p>
<p>2021-F&A-030 February 22, 2021</p>	<p>THAT The Finance and Audit Committee requests the project noted in the February 22, 2021, corporate report titled “Community Amenity Contribution (CAD) Project Options Update” as a. Centre Street Walkway Upgrades be started” shovel in the ground “2021”/started ASAP.</p> <p style="text-align: right;">CARRIED</p>
<p>2014-319 October 20, 2014</p>	<p>THAT Council receives for information the corporate report dated October 20, 2014, from the Director of Engineering and Municipal Operations titled “Updated on Progress of Centre Street Road Allowance Improvements Task Force.”</p> <p style="text-align: right;">CARRIED</p>

INTRODUCTION/BACKGROUND

In 2014, following public engagement, staff presented a concept plan of the Centre Street Walkway Project between Marine Drive and Columbia Avenue with a cost estimate of \$800K. Although a budget of \$300K was included in the 2015 Capital Plan for this project, the project was not approved by Council in 2014.

At the Finance and Audit Committee meeting on February 22, 2021, Council directed that the project move forward. At the Regular Council Meeting on March 9, 2021, Council approved a budget of \$900K based on the Option proposed in 2014 and directed staff to commence the initial project steps including the preliminary design.

R.F. Binnie and Associates was retained to provide engineering services in June 2021. Two options were developed in the preliminary design and presented to Council at the Regular Council Meeting on October 4, 2021. Option A is a reproduction of the Option proposed in 2014 and Option B is an improvement from Option A to optimize the grade for improved

walkability/accessibility and to plant more trees for greater stability and sustainability. Following Council’s approval of Option B, staff commenced the process to deliver the project. On October 25, 2021, Council approved additional funding of \$650K from CACs for a total budget of \$1,419M.

ANALYSIS

Upon the completion of the detailed design for the recently renamed project to the “Helen Fathers Centre Street Walkway Upgrades and Improvement Project,” a Request for Proposals (RFP) for the construction of this project was posted on BC Bid and the City of White Rock’s website on April 11, 2022. Upon RFP closure at 2:00 p.m. on May 10, 2022, seven (7) proposals were received.

This RFP used a Two-Envelope System consisting of the technical submission in the First Envelope and Financial Submission in the Second Envelope. The technical evaluation reduces the proponents to the top three in the first round, and only the top three proponents advance into the financial evaluation in the second round. The second envelope of the eliminated proponents in the first round remains unopen and will be returned to the proponents. The engineering consultant R.F. Binnie and Associates and City’s engineering staff conducted the evaluation and analyzed the submissions. The evaluation results are summarized in Table 1 below (the name sequence in the table is the submission order). Among the seven proponents, Cedar Crest Lands BC Ltd. achieved the highest score as it presents the best value for the City in the two rounds of evaluation.

Table 1 – Bid Summary

Contractors	First Envelope (Technical Submissions)	First Envelope Score (out of 40%)	Second Envelope (Financial Submissions)	Second Envelope Score (Out of 60%)	Total Score (Out of 100%)
1. GDM Greystone Design Management Construction Ltd	Compliant	35.5	\$2,685,548.68	54	89.5
2. Wood Projects Ltd.	Compliant	30	Eliminated	N/A	N/A
3. Rust Investment Ltd-Shangri-La Landscaping	Compliant	30	Eliminated	N/A	N/A
4. Cedar Crest Lands BC Ltd	Compliant	33.5	\$2,414,763.00	60	93.5
5. Fricia Construction Inc.	Compliant	30.5	Eliminated	N/A	N/A
6. Canadian Landscape and Civil Services Ltd (CLCS)	Compliant	31.5	\$3,144,446.85	48	79.5
7. GPM Civil Contracting Inc.	Compliant	31	Eliminated	N/A	N/A

The construction has been rescheduled to start in July 2022 due to delays with consideration of the Heritage Inspection Permit and the City’s grant application process to the federal Active Transportation Fund.

As the City has been advised that the First Nation referral period will expire on June 17, 2022; the Heritage Inspection Permit will likely be issued soon after.

The City submitted a grant application for funding under the Active Transportation Fund through Infrastructure Canada in March 2022, using the Centre Street Walkway as a base to leverage a total potential maximum funding of \$4M to include upgrades to other City walkways. The fund evaluation results are anticipated in June 2022, and the City would have lost eligibility to apply if a construction contract was entered into prior to the announcement.

FINANCIAL IMPLICATIONS

The project approved budget in October 2021, was \$1.419M and included in the approved 2022 Financial Plan, funded by Community Amenity Contributions (CACs). During the RFP process, the bids received were higher than originally anticipated. Staff and the consultant contacted bidders and others in the construction industry for reasons for such a pronounced cost escalation. Reasons given include:

- the war in Europe starting in February 2022 affecting most material prices;
- record-high energy prices affecting fuel for vehicles and equipment and also energy inputs for cement leading to escalated concrete prices;
- the inflation rate affecting every aspect of bidders business, including wages;
- supply chain issues causing delay risk for bidders;
- the residual impacts of Covid 19 and its variants affecting staff, equipment and materials.

To advance this Council Top Priority Project into the construction phase, a budget amendment is required to add \$1.685M to the Financial Plan 2022 for the asset improvement project. The projected cost is broken down in Table 2 below:

Table 2 – Project Cost Breakdown

2022 Project Cost Breakdown	Approved Budget 2022	Projected Cost	Amendment required
Design and consulting	\$0.085M	\$0.085M	0
Construction	\$1.067M	\$2.415M	\$1.348M
Contingency 25% (of construction)	\$0.267M	\$0.604M	\$0.337M
Construction Expenditure Limit	\$1.334M	\$3.019M	\$1.685M
Project Total Cost (GST excluded)	\$1.419M	\$3.104M	\$1.685M

The City did incur costs of \$131K for this project on engineering consulting fees in 2021 that are not included in the figures above.

PAST PRACTICE / POLICY / LEGISLATION

As per the City of White Rock procurement policy, Council approval is needed to award the contract to Cedar Crest BC Land Ltd. in the amount of \$2,415K (excluding GST) to begin construction on the Helen Fathers Centre Street Walkway Upgrades and Improvement Project.

LEGAL IMPLICATIONS

There is a risk that the ongoing legal dispute with three property owners related to encroachments may delay the project, impact the construction schedule, or cause delay costs for the contractor.

COMMUNICATION AND COMMUNITY ENGAGEMENT IMPLICATIONS

Upon Council's approval, staff will work with the Communications team and contractor to prepare and provide the project information to the public including updating the project information on the City's website, delivering notices to the residents located within two (2) blocks of the project area, and installing project signs on-site.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS

The Financial Services department has prepared an amendment to the Financial Plan 2022 by adding \$1.685M funded from CACs for the Helen Fathers Centre Street Walkway Upgrades and Improvement Project. In addition, staff will work with the Communication team to prepare and provide the project information to the public, with Engineering and Municipal Operations staff to prepare for the operation and maintenance of the walkway, and with the Parks Division staff to prepare for the operation and maintenance of the green space along the walkway.

CLIMATE CHANGE IMPLICATIONS

The proposed plantings and trees on the project site will ameliorate the current erosion and improve the stability of the site and provide shade coverage. The upgraded walkway meanders within the project corridor and spreads the walkway surface run-off broadly over the site and facilitates natural infiltration and irrigation. The upgrades will promote the walkway as a desirable choice for the short trips between Town Centre and the beach, and accordingly, reduce personal vehicle use.

ALIGNMENT WITH STRATEGIC PRIORITIES

The Project is a Community Amenity Contribution “Shovel-in-the-Ground” project and is a Council Top Priority.

OPTIONS / RISKS / ALTERNATIVES

The following alternate options are available for Council’s consideration:

1. Not approve the award of the contract, which would delay the walkway upgrades and delay the implementation of a Council Top Priority;
2. Divide the project into two phases: phase 1 from Marine Drive to Victoria Avenue and phase 2 from Victoria Avenue to Columbia Avenue; and negotiate with Cedar Crest to complete phase 1 within the approved budget, and defer phase 2 until the funding is available;
3. Hold approval of the award of the contract pending the grant availability of Active Transportation Fund 2022 by Infrastructure Canada with evaluation results to be anticipated in June/July 2022, or future grant application for Active Transportation Fund 2022/2023 by BC Ministry of Transportation and Infrastructure with evaluation results to be anticipated in September 2022.

CONCLUSION

An RFP was posted for the construction of the Helen Fathers Centre Street Walkway Upgrades and Improvement Project and seven (7) proposals were received. Based on the best value for the City, staff recommend awarding the construction contract to Cedar Crest for \$2,415K (excluding GST), with a construction expenditure limit of \$3,019K (excluding GST), subject to the approval of the Financial Plan 2022 Amendment proposed and included on the June 13, 2022 Agenda seeking Council's approval. If the Financial Plan amendment is approved adding \$1,685M to the project, the construction will then begin in July with an approximate completion date of November 2022 and accomplishing one of City Council's top priorities.

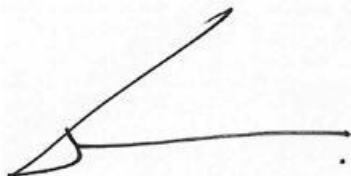
Respectfully submitted,



Jim Gordon, P.Eng.
Director, Engineering and Municipal Operations

Comments from the Chief Administrative Officer

This corporate report seeks City Council approval and direction.



Guillermo Ferrero
Chief Administrative Officer