



RESORT MUNICIPALITY OF WHISTLER

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STAFF REPORT TO COUNCIL

PRESENTED: March 21, 2023 **REPORT:** 23-033
FROM: Infrastructure Services **FILE:** E320-E205
SUBJECT: WATER AND SEWER VALVE AND FITTING REPLACEMENT PROJECT

RECOMMENDATION FROM THE CHIEF ADMINISTRATIVE OFFICER

That the recommendation of the General Manager of Infrastructure Services be endorsed.

RECOMMENDATION

That Council award the contract for the Water and Sewer Valve and Fitting Replacement project in the amount of \$1,311,532.66 (exclusive of GST) to Coastal Mountain Excavations Ltd. in accordance with their tender proposal dated February 21, 2023.

PURPOSE OF REPORT

The purpose of this Report is to inform Council of the status of the Water and Sewer Valve and Fitting Replacement project and procurement process, and to request approval to proceed with the contract award for the construction work to implement the Water and Sewer Valve and Fitting Replacement project in the amount of \$1,311,532.66 (exclusive of GST).

Information Report Administrative Report (Decision or Direction)

DISCUSSION

Background

The Resort Municipality of Whistler (RMOW) has carried out recent fitting replacements in the watermain and sanitary force main systems in response to several corrosion-related failures. The primary objective of this project is to proactively replace and upgrade existing fitting clusters in high-priority areas to prevent unplanned service disruptions and costly repairs associated with sudden infrastructure failures. This project will include nine point repairs to the water distribution system, and six point repairs to the sewer collections system.

Underground infrastructure in the RMOW has been documented to be subject to corrosion from both internal and external factors.

The 2014 Water Rehabilitation Study indicated many watermains within the areas identified are PVC, constructed in the mid to late 1990's and corrosion-failures were noted in several locations. The valves,

junctions, and other fittings on the watermains were likely not installed with a corrosion resistant coating and are expected to be ferrous and prone to corrosion. The Fixtures and Fittings Corrosion Observation Report from 2022 (Appendix B) indicates that the sewer collections system ferrous fittings are subject to the same corrosion as the water distribution system. Though the majority of watermains within the RMOW have been replaced over the past several years with PVC pipe, ferrous fitting clusters remain throughout the underground infrastructure. New fitting clusters are protected with a corrosion resistant coating; however, aging fittings remain unprotected.

Analysis

TENDER RESULTS

The Invitation to Tender for the Water and Sewer Valve and Fitting Replacement Project was posted on the RMOW bid opportunities page, and BC bid. The tender was advertised publicly between January 20, 2023, and February 21, 2023. One non-mandatory pre-tender site meeting was held for this project on November 15, 2022.

The procurement process resulted in three tender submissions to complete the work; all three tenderers are qualified to complete the work. However, one of the three tender submissions was not compliant with the Instructions to Tender (ITT).

Fontaine Site Services Inc.'s tender was not compliant with the Instructions to Tenderers. One of the requirements of the tender document is that a tender security ("Bid Security") in the form of a bid bond, cash, bank draft or letter of credit must be included with the tender. Fontaine Site Services Inc. did not include any form of bid security with their Tender submission, so their tender was not considered.

Staff recommend that the contract be awarded to Coastal Mountain Excavations Ltd., who submitted the second lowest price bid.

Results from three bidders are listed in Table 1 – Tenderer’s Submissions:

TENDERER		TOTAL PRICE (EXCLUDING GST)	VARIANCE TO ENGINEER'S ESTIMATE (%)
1	Fontaine Site Services Inc.	\$819,000.00	-18
2	Coastal Mountain Excavations Ltd.	\$1,311,532.66	31
3	Drake Excavating (2016) Ltd.	\$1,439,000.00	44
	Engineer's Estimate (ISL Engineering and Land Services)	\$999,180.00	

POLICY CONSIDERATIONS

Council Policy F-29: *Procurement Policy* and Administrative Procedure D-1: *Procurement* requires Council approval for any contracts over the value of \$500,000.

Corporate Plan

The RMOW Corporate Plan is updated annually and articulates strategic direction for the organization. This section identifies how this report links to the plan.

Council Focus Areas

- Community Balance
*Effectively **balance resort and community needs** through deliberate planning, partnerships and investment*
- Climate Action
*Provide leadership to **accelerate climate action and environmental performance** across the community*
- Housing
*Advance strategic and innovative initiatives to enable and **deliver additional employee housing***
- Pandemic Recovery
*Leadership and support for **community and tourism recovery and sustainability** – priority focuses are where recovery needs intersect with other Council focus areas*
- Not Applicable

Corporate Goals

- Community character and mountain culture is reflected in municipal initiatives
- Municipal decision-making supports the effective stewardship of natural assets and ecological function
- Corporate policies and operations ensure continuous excellence in infrastructure, facility and program management
- A high level of accountability, transparency and community engagement is maintained
- Corporate financial health is optimized to ensure long-term community success
- A vibrant local economy and safe, resilient resort community is effectively reinforced by organizational activities
- Pandemic recovery

Community Vision and Official Community Plan

Goals, Objectives, and Policies

Goal 12.1 of Whistler's OCP is to provide safe drinking water and reliable water supplies. This project is directly related to this goal, and specifically to the following objective and policy:

12.1.1. Objective Maintain a potable water supply system that continues to produce sufficient domestic water quantities for current and planned future development, and water quality that meets or exceeds the Canadian Drinking Water Guidelines and fulfils the requirements of the Permit(s) to Operate issued by the Local Health Authority.

12.1.1.1. Policy Maintain a water supply system, as illustrated in Schedule H, that continues to produce sufficient domestic and firefighting water quantities for current and planned future development, and water quality that meets or exceeds the Canadian Drinking Water Guidelines and fulfils the requirements of the annual Permit(s) to Operate issued by the Local Health Authority.

Goal 12.2. of Whistler's OCP is for Whistler's sewer systems to meet all applicable standards and be maintained in a manner that is cost-effective, ensures reliability and minimizes or eliminates environmental impacts. This project will proactively address a known issue with our sewer mains and is directly related to the following objective and policies:

Objective 12.2.1. Maintain and develop sewer systems to service planned development in a manner that is compatible with environmental sensitivities of Whistler's natural areas, meets regulatory obligations and sets standards consistent with Whistler's move toward sustainability

Policy 12.2.1.1. Maintain a sewage collection and treatment system that transports and treats sufficient wastewater quantities for current and planned future development and ensures discharge quality meets or exceeds the Operational Certificate issued by the B.C. Ministry of Environment & Climate Change Strategy.

Policy 12.2.1.4. Implement water conservation and inflow/infiltration reduction measures before expanding the sewer collection and treatment capacity by conventional engineering design.

BUDGET CONSIDERATIONS

The current approved budget for the Water and Sewer Valve and Fitting Replacement Project draws on the following project codes:

- E205-08 for water main upgrades
- E320-06 for sewer main upgrades

The breakdown of the tender result per activity, and budget comparison are shown below in Table 2 – Coastal Mountain Excavations Ltd. Tender Results and Budget Comparison. While greater than the Engineer’s cost estimate, both project tender components are below the 2023 budget for this work.

Table 2 – Coastal Mountain Excavations Ltd. Tender Results and Budget Comparison

BUDGET CODE NUMBER AND NAME	2023 BUDGET	ENGINEERS COST ESTIMATE	COASTAL MOUNTAIN EXCAVATIONS LTD.	VARIANCE TENDER TO BUDGET (%)
E20508 Water main upgrades	\$850,000	\$473,400	\$640,921	33
E32006 Sewer main upgrades	\$885,000	\$525,780	\$670,620	32
Total	\$1,735,000	\$999,180	\$1,311,532	32

TOTAL 2022 PROJECT COST OVERVIEW

Shown below in Table 3 is a summary of the estimated total project cost for the procurement, construction, and project management in 2023.

In Table 1 a variance of 31 percent is shown between the engineers cost estimate and the tender submission, the variance is due to market volatility.

Table 4 – 2023 Estimated Total Project Cost and Total Project Budget

BUDGET CODE NUMBER AND NAME	2023 PROJECT COST – COASTAL MOUNTAIN EXCAVATIONS LTD.	2023 PROJECT MANAGEMENT (PM) COST	TOTAL 2023 ESTIMATED PROJECT COST (TENDER PLUS PM)	TOTAL 2023 BUDGET
E20508 Water main repairs	\$640,921	\$65,000	\$705,921	\$850,000
E32006 Sewer main repairs	\$670,620	\$65,000	\$735,620	\$885,000
Total	\$1,311,532	\$130,000	\$1,441,541	\$1,735,000

LIL’WAT NATION & SQUAMISH NATION CONSIDERATIONS

The RMOW is committed to working with the Lil’wat People, known in their language as *L’il’wat7úl* and the Squamish People, known in their language as the *Skwxwú7mesh Úxwumíxw* to create an enduring relationship; establish collaborative processes for Crown land planning; achieve mutual objectives; and

enable participation in Whistler's resort economy. This section identifies areas where RMOW activities intersect with these relationships.

There are no specific considerations to include in this report.

COMMUNITY ENGAGEMENT

Level of community engagement commitment for this project:

Inform Consult Involve Collaborate Empower

Comment(s):

RMOW staff are actively engaged with the neighbourhood residents and public with regards to this project and its impact to the community through the Project website and Pique Newsmagazine advertisement.

REFERENCES

Appendix A – E205-E320 Tender Award Recommendation
Appendix B - ISL Fixtures and Fittings Corrosion Observations 2022

SUMMARY

Staff recommend Council award the contract for the Water and Sewer Valve and Fitting Replacement project in the amount of \$1,311,541.71 (exclusive of GST) to Coastal Mountain Excavations Ltd. in accordance with their tender proposal dated February 21, 2023. This project will include nine point repairs to the water distribution system, and six point repairs to the sewer collections system. This project is an important part of our on-going long-term water distribution, and sewer collections system asset management plan.

SIGN-OFFS

Written by:

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Reviewed by:

James Hallisey
General Manager of Infrastructure Services

Virginia Cullen
Chief Administrative Officer