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STAFF REPORT TO COUNCIL

PRESENTED:February 25, 2025REPORT:25-008FROM:Infrastructure ProjectsFILE:5330-14-1003SUBJECT:WATER AND SEWER VALVE AND FITTING REPLACEMENT CONTRACT
AWARDAWARD

RECOMMENDATION FROM THE CHIEF ADMINISTRATIVE OFFICER

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

RECOMMENDATION(S)

That Council award the contract for the Water and Sewer Valve and Fitting Replacement Project in the amount of \$1,420,500 (exclusive of GST) to Drake Excavating (2016) Ltd. in accordance with the letter of recommendation attached as Appendix A to Administrative Report No. 25-008.

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 (Project) and procurement process, and to request approval to proceed with the contract award for the construction work to implement the 2025 scope of the Project in the amount of \$1,420,500 (exclusive of GST).

□ Information Report

Administrative Report (Decision or Direction)

DISCUSSION

Background

Over the past few years, water and sewer valve and fitting replacement projects have taken proactive steps to protect our critical water and sewer infrastructure. In response to both recent and historical failures, the Resort Municipality of Whistler (RMOW) is focused and committed to replacing and upgrading aging valve and fitting clusters in high-priority areas. This ongoing initiative is designed to prevent unexpected service disruptions and reduce the costs associated with emergency repairs due to sudden infrastructure failures.

Our underground infrastructure faces a significant threat from corrosion, particularly from the local soil, which is inherently corrosive, especially to iron fittings. This was highlighted in the <u>2014 Water</u> <u>Rehabilitation Study</u>, which identified the presence of vulnerable, uncoated ferrous fittings in many watermains constructed in the mid-1990s.

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Recent observations, outlined in the 2022 to 2024 Fixtures and Fittings Corrosion Observation Reports (Appendix B), have confirmed ongoing concerns regarding both the water distribution and sewer collection systems. The most severe corrosion has been identified on the external surfaces of pipe and fitting restrainers, fasteners and hardware that secure the pipes. Although newer pipes are constructed with corrosion-resistant materials, many older fittings remain vulnerable to deterioration.

By proactively replacing these aging fittings, the RMOW can significantly strengthen the reliability and longevity of our essential water and sewer infrastructure, ensuring continued service. The Project is part of a multi-year initiative to address these concerns throughout the municipality. This year's water portion of the Project focuses on Spruce Grove Way, specifically the west side of Fitzsimmons bridge to Highway 99 and Mons Road from Spruce Grove Way to the Saber Rentals property. This year's sewer force main portion focuses on Blackcomb Way, from the entrance to Montebello through the Nancy Greene Drive intersection and ending approximately 150m down the Valley Trail on the west side of Fitzsimmons Creek. The Project will involve replacing a total of 21 valve and fitting clusters – 13 within the water distribution system and eight within the sewer collections system.

In 2024, a total of 26 valve and fitting clusters were replaced in the Spruce Grove area from Fitzsimmons Road North to the Spruce Grove baseball fields – 12 within the water distribution system and 14 within the sewer collection system. Several of the valve and fitting clusters replaced in 2024 were visibly leaking or in the process of failing when they were replaced, underscoring the importance of this work.

<u>Analysis</u>

The RMOW received three qualified tenders for the Project. The Invitation to Tender was posted to the RMOW bid opportunities page and BC Bid between January 13, 2025 and February 3, 2025.

Following a comprehensive evaluation, staff recommend awarding the contract to Drake Excavating (2016) Ltd. (Drake Excavating). Their competitive bid, demonstrating their understanding of project requirements and market pricing, coupled with their relevant experience and expertise, solidified their suitability for the Project. Results from the bidders are listed in Table 1 – Tenderers' Submissions.

TENDERER		TOTAL PRICE (EXCLUDING GST)	VARIANCE TO ENGINEER'S ESTIMATE (%)	
1	Drake Excavating	\$1,420,500	-14	
2	Matcon Underground Utilities Ltd.	\$1,842,775	+12	
3	Coastal Mountain Excavations Ltd.	\$1,883,340	+15	
	Engineer's Estimate (ISL Engineering and Land Services)	\$ 1,642,375		

Table 1 – Tenderers' Submissions:

POLICY CONSIDERATIONS

Relevant Council Authority/Previous Decisions

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

2023-2026 Strategic Plan

The 2023-2026 Strategic Plan outlines the high-level direction of the RMOW to help shape community progress during this term of Council. The Strategic Plan contains four priority areas with various associated initiatives that support them. This section identifies how this report links to the Strategic Plan.

Strategic Priorities

□ Housing

Expedite the delivery of and longer-term planning for employee housing

□ Climate Action

Mobilize municipal resources toward the implementation of the Big Moves Climate Action Plan

□ Community Engagement

Strive to connect locals to each other and to the RMOW

□ Smart Tourism

Preserve and protect Whistler's unique culture, natural assets and infrastructure

⊠ Not Applicable

Aligns with core municipal work that falls outside the strategic priorities but improves, maintains, updates and/or protects existing and essential community infrastructure or programs

Community Vision and Official Community Plan

The Official Community Plan (OCP) is the RMOW's most important guiding document that sets the community vision and long-term community direction. This section identifies how this report applies to the OCP. The Project directly aligns with key goals and objectives outlined in OCP Chapter 12 – Infrastructure.

Goal 12.1: Safe Drinking Water and Reliable Water Supplies

The Project directly supports Objective 12.1.1 and Policy 12.1.1.1 by proactively replacing aging infrastructure critical to maintaining a reliable and high-quality water supply system. By addressing potential corrosion issues before they lead to failures, the project helps ensure sufficient water quantities and quality that meet or exceed Canadian Drinking Water Guidelines, fulfilling the requirements set by the Local Health Authority.

Goal 12.2: Sustainable and Reliable Sewer Systems

The Project also aligns with Goal 12.2, specifically Objective 12.2.1 and Policies 12.2.1.1 and 12.2.1.4. Replacing susceptible fittings proactively addresses known corrosion concerns within the sewer system. This aligns with the OCP's focus on maintaining reliable sewer infrastructure while minimizing environmental impacts. By preventing potential failures and the need for reactive repairs, the Project contributes to cost-effectiveness and long-term sustainability, supporting Whistler's move towards a sustainable future. Additionally, focusing on proactive maintenance aligns with Policy 12.2.1.4, which prioritizes water conservation and preventative measures over expanding treatment capacity.

The Project demonstrates the RMOW's commitment to upholding the core principles of the OCP by ensuring the safety, reliability, and sustainability of Whistler's essential water and sewer infrastructure.

BUDGET CONSIDERATIONS

The Project utilizes Agresso codes E205-08 for water main upgrades and E320-06 for sewer main upgrades. Refer to Table 2 for a detailed breakdown of the low bid from Drake Excavating and its comparison to the budget. The low bid received came in under the allocated budgets for 2025.

BUDGET CODE NUMBER AND NAME	2025 PROJECT DRAKE EXCAVATING (2016) LTD.	ESTIMATED 2025 PROJECT MANAGEME NT (PM) COST	TOTAL 2025 ESTIMATED PROJECT COST (TENDER PLUS PM)	VARIANCE TENDER TO BUDGET (%)	TOTAL 2025 BUDGET
E20508 Water main repairs	\$ 759,500	\$ 69,645	\$ 829,145	-24	\$ 1,000,000
E32006 Sewer main repairs	\$ 661,000	\$ 69,645	\$ 730,645	-34	\$ 1,000,000
Total	\$1,420,000	\$ 139,290	\$1,559,790	-29	\$ 2,000,000

Table 2 – 2025 Estimated Total Project Cost and Total Project Budget

LÍĽWAT NATION & SQUAMISH NATION CONSIDERATIONS

The RMOW is committed to working with the Lílwat People, known in their language as *L'il'wat7úl* and the Squamish People, known in their language as the *Skwxwú7mesh Úxwumixw* to: create an enduring relationship; establish collaborative processes for planning on unceded territories, as currently managed by the provincial government; achieve mutual objectives; and enable participation in Whistler's resort economy.

There are no specific considerations to include in this report.

COMMUNITY ENGAGEMENT

Level of community engagement commitment for this project:

 \boxtimes Inform \square Consult \square Involve \square Collaborate \square Empower

This report outlines the plan to keep the community informed throughout the Project. We will utilize a multi-pronged approach to ensure the community is aware of Project details and potential impacts:

Social media: Regular updates will be posted on the RMOW's social media channels, providing Project information and timelines.

Project Signs: On-site signage will be displayed at the Project locations, detailing the work being done and estimated durations.

Letters to Impacted Residents: Residents directly affected by construction will receive personalized letters outlining the Project scope and potential disruptions.

REFERENCES

Appendix A – E205-E320 Tender Award Recommendation Appendix B – 2022-24 Valve and Fitting Corrosion Observations (ISL)

SUMMARY

Staff recommend awarding the \$1,420,500 (excluding GST) Water and Sewer Valve and Fitting Replacement Project to Drake Excavating due to their competitive bid and strong qualifications. The Project aligns with the RMOW's long-term infrastructure plan by addressing the potential corrosion issues and enhancing the reliability of the water distribution and sanitary sewer systems. Replacing 13 water valve and fitting clusters and eight sewer collection valve and fitting clusters will minimize environmental impacts and reduce the risk of potential system failures, ensuring the continued dependability of this critical infrastructure.

SIGN-OFFS

Written by:

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Reviewed by:

James Hallisey, General Manager of Infrastructure Services

Virgina Cullen, Chief Administrative Officer