

**A SPECIAL MEETING OF THE
COUNCIL OF THE TOWN OF LADYSMITH
TO BE HELD IN COUNCIL CHAMBERS AT
LADYSMITH CITY HALL ON
FRIDAY, SEPTEMBER 7, 2018
3:30 P.M.**

AGENDA

CALL TO ORDER (3:30 P.M.)

2. AGENDA APPROVAL

3. REPORTS

3.1. 4th Avenue at Rocky Creek - Culvert Tender Update 1 - 5

Staff Recommendation:

That Council:

1. Cancel tender 2018-IS-05 (4th Avenue Rocky Creek Culvert) due to insufficient budget and notify the three proponents;
2. Direct staff to revise and re-budget the Rocky Creek Culvert project in the 2019- 2023 Financial Plan, with work to take place in 2019;
3. Direct staff to proceed with the interim measure of hardening the existing crossing (option 3 in the staff report from the Director of Infrastructure Services dated September 7, 2018) and constructing emergency access routes through Churchill Place and the forestry service road at the end of 4th Avenue;
4. Waive the purchasing policy and engage Dave Stalker Excavating on a time and material basis to complete the interim hardening of the existing crossing on 4th Avenue at Rocky Creek; and
5. Delay the tender for 4th Avenue (at Hambrook) road upgrades until such time as the 4th Avenue/Rocky Creek Culvert project is complete.

4. UNFINISHED BUSINESS

ADJOURNMENT



STAFF REPORT TO COUNCIL

From: Geoff Goodall, Director of Infrastructure Services
 Meeting Date: September 7, 2018
 File No:
 RE: **4TH AVENUE AT ROCKY CREEK -- CULVERT TENDER UPDATE**

RECOMMENDATION:

That Council:

1. Cancel tender 2018-IS-05 (4th Avenue Rocky Creek Culvert) due to insufficient budget and notify the three proponents;
2. Direct staff to revise and re-budget the Rocky Creek Culvert project in the 2019- 2023 Financial Plan, with work to take place in 2019;
3. Direct staff to proceed with the interim measure of hardening the existing crossing (option 3 in the staff report from the Director of Infrastructure Services dated September 7, 2018) and constructing emergency access routes through Churchill Place and the forestry service road at the end of 4th Avenue;
4. Waive the purchasing policy and engage Dave Stalker Excavating on a time and material basis to complete the interim hardening of the existing crossing on 4th Avenue at Rocky Creek; and
5. Delay the tender for 4th Avenue (at Hambrook) road upgrades until such time as the 4th Avenue/Rocky Creek Culvert project is complete.

PURPOSE:

To have Council provide direction on the tender for the 4th Avenue/Rocky Creek Culvert project.

PREVIOUS COUNCIL DIRECTION

CS 2018- 145	05/07/2018	<p>That Council:</p> <ol style="list-style-type: none"> 1. Direct staff to move forward with the construction of a pre-cast concrete bridge structure over Rocky Creek on 4th Ave. 2. Omit approach slabs from the design. 3. Upon conformation by the project geotechnical Engineer that spread footings are suitable for this project, delete piles. 4. Direct staff to revise the Rock Creek Culvert Project budget to \$1,032,000 with the additional funds to come from the Infrastructure Reserve, the Water Reserve and Prior Year Surplus, and amend the 2018-2022 Financial Plan. <p>Motion carried.</p>
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INTRODUCTION/BACKGROUND:

The Town tendered a project for the 4th Avenue / Rocky Creek Culvert project. The tender for this project closed on August 23, 2018 and the Town received three tenders as follows:

Company Name	Tender Price (incl. GST)	Bridge Price (excl. GST)	Start Date	Completion Date
Heavy Metal Marine Ltd.	\$1,004,746.39*	\$425,646.56	Aug 30, 2018	December 31, 2018
Copcan Civil Ltd.	\$1,257,615.45	\$628,000.00	September 4, 2018	December 31, 2018
Windley Contracting (2010) Ltd.	\$1,333,237.50	\$730,869.00	September 10, 2018	November 30, 2018

*Adjusted to add GST, not included in tender

After review of the documents received by the bidders it was found that the low bid received from Heavy Metal Marine Ltd. was non-compliant and therefore should be rejected. The next lowest tender was received from Copcan Civil Ltd. with a total tender cost of \$1,257,615.45. The review of this submission confirmed that it was a qualified tender.

The construction budget (excluding engineering) for this project was \$1,008,000 including GST and the project contingency. The funding for this project was derived from the following sources:

- Infrastructure Services Reserve \$300,000
- Surplus \$200,000
- Gas Tax \$500,000
- Water Utility \$32,000

The low compliant tender exceeds the budget by \$249,615.45.

In addition to the fact that the tender exceeds the project budgeted, FortisBC has informed staff that the removal and replacement of the gas main at the crossing is the responsibility of the Town. Their estimate to complete the works is \$200,000. This put the project \$450,000 over budget, not including any construction contingency.

During the tender process, it became apparent that the crossing would have to be closed, and the Town issued an addendum to that effect, which also stated that the Town would provide alternative access points during this closure. The Town purchased the property at 1260 Churchill Place for the purpose of constructing an emergency access route that will

be available during the construction period and eventually become a permanent connection between Churchill and McKinley.

The original tender called for construction to start immediately on the contract being awarded (in early September), It was staff's intent to have the Churchill Place emergency access route build prior to the start of construction of the crossing, but due to forest fire concerns staff have been unable to move forward with this work.

Staff have also been preparing to upgrade the existing emergency access route that is located at the end of 4th Avenue and connects with the Timber West forestry road. Again, staff have been unable to get any works done in this location due to the extreme forest fire rating.

During the feasibility phase of the project, the consulting engineer presented options available for a crossing at this location. These included a pipe arch, a box culvert and a bridge. Although the bridge option was considered the most expensive it had the advantage that the instream works could be completed up front during the very narrow fish window (which generally ends in mid to late September) and the bridge works could then proceed after the closure of the fish window. The other two options required considerably longer periods of work in the wetted stream and there was considerable risk that this work would not be completed in the fish window.

Retendering and awarding the project during the winter will allow for an extended period of construction was available and therefore open the opportunity to consider the pipe arch and box culvert options and potentially provide considerable savings to the Town.

ALTERNATIVES:

Council can choose to:

1. Award the Tender Heavy Metal Marine Ltd.

This option is problematic and will likely expose Council to potential legal action from the next lowest bidder. For that reason staff recommend against this option.

2. Award the Tender to the Second Lowest Bidder

The second lowest tender exceeds the budget by approximately \$250,000 and this does not include any construction contingency or the \$200,000 needed to complete the FortisBC works. The advantage of this option is that the Town is able to move forward with the project this fall, although the start date proposed in this tender has passed. This option will require that the 4th Ave. crossing be closed for the duration of the project which has a proposed completion date of December 31, 2018.

3. Harden the existing crossing and retender in the spring

This option involves preparing the existing crossing for the winter. This will require removal of the first two sections of the existing culvert which are badly damaged, ripping the crossing, installing a second culvert to one side and above the invert of the existing culvert to act as an overflow channel and removing the existing

cedar tree which poses a hazard to the crossing. The existing water main and gas main are located in this section and will require relocation or suspension over the creek temporarily during the winter. This work will result in single lane alternating traffic for the duration of the winter.

The advantage of this option is that it will allow retendering of the project with additional options (pipe arch and box culvert) in the winter with a summer construction period. In addition it also allows some additional time for staff to prepare the emergency routes. The intent is that staff would move forward immediately with the construction of the two alternative emergency access routes and these would be available during the winter in the event that the 4th Avenue crossing were to fail.

The consultants are still working on the details of the crossing hardening and at this point no cost estimates are available. It is recommended by staff that David Stalker Excavating be retained on a time and material basis to complete this work. David Stalker Excavating is the Town's time and material contractor.

Although there are risks of crossing failure with this option if a large storm event were to overwhelm the crossing, the plan is to put in as many mitigation measures as feasible to reduce these risks.

Staff are recommending that Council proceed with this option.

FINANCIAL IMPLICATIONS:

Due to the uncertainties in this project staff are also recommending that, whichever option selected, Council delay the tendering of the 4th Avenue (at Hambrook) road upgrade until such time as the 4th Avenue / Rocky Creek Culvert project is complete. This will provide some additional contingency if some unforeseen condition or event were to occur. The 4th Avenue road upgrade project has a budget of \$1,233,542 and is derived from the following sources:

- Gas Tax \$240,000
- DCC Roads \$168,000
- General Reserve \$507,232
- Water Utility \$136,250
- Sewer Utility \$182,060

The gas tax, general reserve and some water funds could be transferred to the 4th Avenue / Rocky Creek Culvert project.

LEGAL IMPLICATIONS:

Staff have not identified any legal issues regarding the recommended option.

CITIZEN/PUBLIC RELATIONS IMPLICATIONS:

Residents who use this crossing have concerns about access to their homes, which includes access for emergency vehicles. Providing alternative access options is essential

for this project. A communications plan will be implemented to inform the affected property owners.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS:

The work program would be managed by engineering staff utilizing consultants.

ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT:

- | | |
|---|--|
| <input type="checkbox"/> Complete Community Land Use | <input type="checkbox"/> Low Impact Transportation |
| <input type="checkbox"/> Green Buildings | <input type="checkbox"/> Multi-Use Landscapes |
| <input checked="" type="checkbox"/> Innovative Infrastructure | <input type="checkbox"/> Local Food Systems |
| <input type="checkbox"/> Healthy Community | <input type="checkbox"/> Local, Diverse Economy |
| <input type="checkbox"/> Not Applicable | |

ALIGNMENT WITH STRATEGIC PRIORITIES:

- | | |
|--|--|
| <input type="checkbox"/> Employment & Tax Diversity | <input checked="" type="checkbox"/> Natural & Built Infrastructure |
| <input type="checkbox"/> Watershed Protection & Water Management | <input type="checkbox"/> Partnerships |
| <input type="checkbox"/> Communications & Engagement | <input type="checkbox"/> Not Applicable |

SUMMARY:



Geoff Goodall, Director of Infrastructure Services

September 6, 2018

I concur with the recommendation.



Guillermo Ferrero, City Manager

ATTACHMENTS:

None