GREATER VANCOUVER WATER DISTRICT (GVWD)
BOARD OF DIRECTORS

REGULAR BOARD MEETING
Friday, March 27, 2020
9:00 A.M.
28th Floor Boardroom, 4730 Kingsway, Burnaby, British Columbia

Membership and Votes

A G E N D A

A. ADOPTION OF THE AGENDA

1. March 27, 2020 Regular Meeting Agenda
   That the GVWD Board adopt the agenda for its regular meeting scheduled for March 27, 2020 as circulated.

B. ADOPTION OF THE MINUTES

1. February 28, 2020 Regular Meeting Minutes
   That the GVWD Board adopt the minutes for its regular meeting held February 28, 2020 as circulated.

C. DELEGATIONS

D. INVITED PRESENTATIONS

E. CONSENT AGENDA
   Note: Directors may adopt in one motion all recommendations appearing on the Consent Agenda or, prior to the vote, request an item be removed from the Consent Agenda for debate or discussion, voting in opposition to a recommendation, or declaring a conflict of interest with an item.


1 Note: Recommendation is shown under each item, where applicable. All Directors vote unless otherwise noted.

March 9, 2020
Greater Vancouver Water District
1. WATER COMMITTEE REPORTS

1.1 Award of Phase C - Construction Engineering Services for the Annacis Water Supply Tunnel

That the GVWD Board:

a) approve the award of Phase C, Construction Engineering Services in the amount up to $17,881,271 (exclusive of taxes) to the Phase A and B project consultant, Hatch Corporation, for the Annacis Water Supply Tunnel (Request for Proposal No. 15-127); and

b) authorize the Commissioner and the Corporate Officer to execute the required documentation.

F. ITEMS REMOVED FROM THE CONSENT AGENDA

G. REPORTS NOT INCLUDED IN CONSENT AGENDA

H. MOTIONS FOR WHICH NOTICE HAS BEEN GIVEN

I. OTHER BUSINESS

1. GVWD Board Committee Information Items and Delegation Summaries

J. BUSINESS ARISING FROM DELEGATIONS

K. RESOLUTION TO CLOSE MEETING

L. RISE AND REPORT (Items Released from Closed Meeting)

M. ADJOURNMENT/CONCLUSION

That the GVWD Board adjourn/conclude its regular meeting of March 27, 2020.
GREATER VANCOUVER WATER DISTRICT
BOARD OF DIRECTORS

Minutes of the Regular Meeting of the Greater Vancouver Water District (GVWD) Board of Directors held at 9:12 a.m. on Friday, February 28, 2020 in the 28th Floor Boardroom, 4730 Kingsway, Burnaby, British Columbia.

MEMBERS PRESENT:
Burnaby, Chair, Director Sav Dhaliwal
North Vancouver City, Vice Chair Director Linda Buchanan
Anmore, Director John McEwen
Burnaby, Director Pietro Calendino
Burnaby, Director Mike Hurley
Coquitlam, Alternate Director Brent Asmundson for Richard Stewart
Coquitlam, Director Craig Hodge
Delta, Director George Harvie
Electoral Area A, Jen McCutcheon
Langley City, Alternate Director Gayle Martin for Val van den Broek
Langley Township, Director Jack Froese
Langley Township, Director Kim Richter
Maple Ridge, Director Mike Morden
New Westminster, Director Jonathan Coté
North Vancouver District, Director Lisa Muri
Pitt Meadows, Director Bill Dingwall
Port Coquitlam, Director Brad West
Port Moody, Director Rob Vagramov
Richmond, Director Malcolm Brodie
Richmond, Director Harold Steves
Surrey, Director Linda Annis
Surrey, Director Doug Elford
Surrey, Director Laurie Guerra
Surrey, Alternate Director Brenda Locke for Mandeep Nagra
Surrey, Director Doug McCallum
Surrey, Director Allison Patton
Tsawwassen, Director Ken Baird
Vancouver, Director Adriane Carr
Vancouver, Director Lisa Dominato
Vancouver, Alternate Director Pete Fry for Kennedy Stewart
Vancouver, Director Colleen Hardwick
Vancouver, Alternate Director Jean Swanson for Christine Boyle
Vancouver, Director Michael Wiebe
West Vancouver, Director Mary-Ann Booth
Commissioner Jerry W. Dobrovolny (Non-voting member)

MEMBERS ABSENT:
Belcarra, Director Neil Belenkie
Delta, Director Bruce McDonald
Vancouver, Director Melissa De Genova

STAFF PRESENT:
Janis Knaupp, Legislative Services Coordinator, Board and Information Services
Chris Plagnol, Corporate Officer
A. ADOPTION OF THE AGENDA

1. February 28, 2020 Regular Meeting Agenda

It was MOVED and SECONDED
That the GVWD Board adopt the agenda for its regular meeting scheduled for February 28, 2020 as circulated.

CARRIED

B. ADOPTION OF THE MINUTES

1. January 31, 2020 Regular Meeting Minutes

It was MOVED and SECONDED
That the GVWD Board adopt the minutes for its regular meeting held January 31, 2020 as circulated.

CARRIED

C. DELEGATIONS

No items presented.

D. INVITED PRESENTATIONS

No items presented.

E. CONSENT AGENDA

It was MOVED and SECONDED
That the GVWD Board adopt the recommendation in the following item presented in the February 28, 2020 GVWD Board Consent Agenda:
1.1 2020 Water Sustainability Innovation Fund Applications

CARRIED

The item and recommendation referred to above is as follows:

1.1 2020 Water Sustainability Innovation Fund Applications
Report dated January 30, 2020 from Inder Singh, Director, Policy, Planning and Analysis, seeking GVWD Board approval to fund three projects through the Water Sustainability Innovation Fund.

Recommendation:
That the GVWD Board approve the allocation from the Water Sustainability Innovation Fund for the following projects:

a) UV Transmittance Analyzers for Continuous Monitoring of Disinfection By-Products: $500,000 over three years starting in 2020;

b) Earthquake Early Warning and Strategic Response System Pilot: $270,000 over two years starting in 2020;
c) Enhancing the Data Processing of the Water Flow Metering Network: $180,000 over two years starting in 2020.

Adopted on Consent

F. ITEMS REMOVED FROM THE CONSENT AGENDA
No items presented.

G. REPORTS NOT INCLUDED IN CONSENT AGENDA

1.1 GVWD Financial Services Administration and Signing Authority Amending Bylaw No. 252, 2020
Report dated January 29, 2020 from Dean Rear, Chief Financial Officer/General Manager, Financial Services, seeking GVWD Board adoption of Greater Vancouver Water District Financial Services Administration and Signing Authority Amending Bylaw No. 252, 2020, to revise language for modern banking practices, amend signing authority positions, and for financial matters relating to Metro Vancouver’s Districts.

It was MOVED and SECONDED
That the GVWD Board give first, second and third reading to Greater Vancouver Water District Financial Services Administration and Signing Authority Amending Bylaw No. 252, 2020.

CARRIED

It was MOVED and SECONDED
That the GVWD Board pass and finally adopt Greater Vancouver Water District Financial Services Administration and Signing Authority Amending Bylaw No. 252, 2020.

CARRIED

H. MOTIONS FOR WHICH NOTICE HAS BEEN GIVEN
No items presented.

I. OTHER BUSINESS

1. GVWD Board Committee Information Items and Delegation Summaries

It was MOVED and SECONDED
That the GVWD Board receive for information the GVWD Board Committee Information Items and Delegation Summaries dated February 28, 2020.

CARRIED

J. BUSINESS ARISING FROM DELEGATIONS
No items presented.
K. RESOLUTION TO CLOSE MEETING

It was MOVED and SECONDED
That the GVWD Board close its regular meeting scheduled for February 28, 2020 pursuant to the Community Charter provisions, Section 90 (1) (e) and (g) as follows:

“90 (1) A part of a board meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

(e) the acquisition, disposition or expropriation of land or improvements, if the board or committee considers that disclosure could reasonably be expected to harm the interests of the regional district; and

(g) litigation or potential litigation affecting the regional district.”

CARRIED

L. RISE AND REPORT (Items Released from Closed Meeting)
No items presented.

M. ADJOURNMENT/CONCLUSION

It was MOVED and SECONDED
That the GVWD Board adjourn its regular meeting of February 28, 2020.

CARRIED
(Time: 9:13 a.m.)

CERTIFIED CORRECT

______________________________    ________________________________
Chris Plagnol, Corporate Officer    Sav Dhaliwal, Chair
To: Water Committee

From: Roy Moulder, Director, Purchasing and Risk Management, Financial Services
Murray Gant, Division Manager, Major Projects, Water Services

Date: February 26, 2020

Meeting Date: March 5, 2020

Subject: Award of Phase C - Construction Engineering Services for the Annacis Water Supply Tunnel

RECOMMENDATION
That the GVWD Board:

a) approve the award of Phase C, Construction Engineering Services in the amount up to $17,881,271 (exclusive of taxes) to the Phase A and B project consultant, Hatch Corporation, for the Annacis Water Supply Tunnel (Request for Proposal No. 15-127); and

b) authorize the Commissioner and the Corporate Officer to execute the required documentation.

EXECUTIVE SUMMARY
In 2015, GVWD issued Request for Proposal (RFP) No. 15-127: Consulting Engineering Services for Preliminary Design, Detailed Design and Construction Engineering Services for the Annacis Water Supply Tunnel. A contract for Phase A, Preliminary Design, was subsequently awarded to Hatch Corporation (Hatch). In 2017, the GVWD Board approved the award of Phase B, Detailed Design, to Hatch. With the project nearing the completion of Phase B, Hatch provided an updated fee estimate for Phase C, Construction Engineering. The total amount for Phase C increased compared to the original proposal, primarily due to contractually allowed hourly rate increases for inflation since 2015, as well as an increase in the construction schedule, and an allowance for quality assurance testing. Based on the evaluation, it is recommended that the GVWD Board award Phase C Construction Engineering Services to Hatch Corporation, in the amount up to $17,881,271 (exclusive of taxes), and authorize the Commissioner and the Corporate Officer to execute required documentation.

PURPOSE
The purpose of this report is to request authorization by the GVWD Board to award Phase C, Construction Engineering Services to the Phase A and B project consultant, Hatch Corporation, for the Annacis Water Supply Tunnel in the amount of up to $17,881,271 (exclusive of taxes).

BACKGROUND
Pursuant to the GVWD Officers and Delegation Bylaw No. 247, 2014 (Bylaw) and the Procurement and Real Property Contracting Authority Policy (Policy), procurement contracts which exceed a value of $5 million require the approval of the GVWD Board of Directors. Further, the Policy states that contracting authority for multi-phase contracts is determined based on the anticipated total value of the services to be provided over all phases.
The original contract for Phase A, Preliminary Design engineering services, was awarded to Hatch in 2015. Upon the successful completion of preliminary design, at its meeting on June 30, 2017, the GVWD Board approved the award of Phase B, Detailed Design engineering services, to Hatch. Staff now require GVWD Board approval to proceed with Phase C, Construction Engineering Services.

This report is being brought forward to the Water Committee to consider a recommendation to the GVWD Board to authorize award of Phase C - Construction Engineering Services, to the Phase A and B project consultant, Hatch Corporation, in order to continue with engineering services through construction of the Annacis Water Supply Tunnel.

PROJECT DESCRIPTION

The Annacis Water Supply Tunnel project will provide increased capacity to meet future demand south of the Fraser River, long term scour protection, and improved resiliency to withstand a major earthquake. The location of the project is shown on Attachment 1. The project comprises an approximately 2.3-kilometer-long tunnel and two deep vertical shafts, one in the City of New Westminster and one in the City of Surrey. The project will include:

- constructing temporary access shafts;
- excavating a deep tunnel below the river using a Tunnel Boring Machine (TBM);
- installing a large diameter steel water main inside the tunnel and shafts;
- constructing underground valve chambers near the top of each shaft; and
- connecting the water supply tunnel to new water mains on each side of the river.

A Request for Qualification (RFQ) No. 15-049 for the preliminary design, detailed design, and construction engineering of the Annacis Water Supply Tunnel was publicly advertised on Metro Vancouver’s and BC Bid websites on March 4, 2015. A Request for Proposal (RFP) No. 15-127 was subsequently issued on August 6, 2015 to the two proponents shortlisted during the RFQ process. The RFP closed on September 18, 2015, and both proponents submitted proposals. Hatch was identified as offering the highest-ranked proposal. Following negotiations, Hatch was awarded Phase A, Preliminary Design, for $5,386,942. At the time of award of Phase A, the anticipated value of the contract for all three phases of work was $30,600,994 (exclusive of taxes).

On May 11, 2017, following the completion of Phase A, Hatch provided an estimated cost for Phase B, Detailed Design, totaling $11,108,137 (exclusive of taxes). The GVWD Board subsequently approved the award for Phase B at its meeting on June 30, 2017. Phase B is now substantially complete.

On February 5, 2020, following discussions and negotiations with staff, Hatch submitted a revised estimated cost for Phase C, Construction Engineering Services, totaling $17,881,271 (exclusive of taxes). The amount is higher than the original proposed amount of $14,861,997 (exclusive of taxes) primarily due to contractually allowed staff hourly rate increases for inflation since 2015, an increase in the construction schedule, and an allowance for quality assurance testing which was not included in the original RFP. The increase in the cost for Phase C was reviewed by Water Services and Purchasing staff and is deemed reasonable.
ALTERNATIVES
1. That the GVWD Board:
   a) approve the award of Phase C, Construction Engineering Services, in the amount up to $17,881,271 (exclusive of taxes) to the Phase A and B project consultant, Hatch Corporation, for the Annacis Water Supply Tunnel (Request for Proposal No. 15-127); and
   b) authorize the Commissioner and the Corporate Officer to execute the required documentation.

2. That the GVWD Board terminate the contract with Hatch Corporation resulting from RFP No. 15-127: Consulting Engineering Services for Preliminary Design, Detailed Design and Construction Engineering Services for the Annacis Water Supply Tunnel and direct staff to report back to the GVWD Board with options for an alternate course of action.

FINANCIAL IMPLICATIONS
If the GVWD Board approves Alternative 1, Construction Engineering Services, in the amount up to $17,881,271 (exclusive of taxes), will be added to the contract with Hatch Corporation. This amount is within the total construction budget allotted for the project.

The GVWD Board has the choice not to proceed with Alternative 1, but staff will need further direction in relation to the project. Alternative 2 will likely result in a delay to the project schedule which could add additional costs to the overall project.

CONCLUSION
Request for Proposal No. 15-127 was issued for Preliminary Design, Detailed Design and Construction Engineering services for the Annacis Water Supply Tunnel. The contract for Phase A, Preliminary Design, was awarded on December 11, 2015 to Hatch Corporation. Hatch’s contract was subsequently amended to include Phase B, Detailed Design engineering services. As Phase B nears completion, staff have identified that the total anticipated value of the contract for Phase C, Construction Engineering Services, will exceed the original estimated cost of $14,861,997 (exclusive of taxes). This is primarily the result of hourly rate increases due to inflation which are allowed in the contract, an increase in the construction schedule, and an allowance for quality assurance testing during construction which is required but was not included in the original RFP.

Based on the evaluation of the revised scope and costs, it is recommended that the GVWD Board authorize the award of Phase C - Construction Engineering Services to Hatch Corporation in the amount up to $17,881,271 (exclusive of taxes), and authorize the Commissioner and Corporate Officer to execute the required documentation. There is sufficient funding within the overall project budget to support the contract increase.

Attachment
Annacis Water Supply Tunnel - Location Plan
COMMITTEE INFORMATION ITEMS AND DELEGATION SUMMARIES
Greater Vancouver Water District
Board Meeting Date – Friday, March 27, 2020

This information item, listing recent information received by committee, is provided for the GVWD Board’s information. Please access a complete PDF package here.

Water Committee – March 5, 2020

Delegation Summaries:
No delegations presented

Information Items:
5.1 2019 Seymour Salmonid Society’s Annual Report for Greater Vancouver Water District

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