To: Liquid Waste Committee

From: Cheryl Nelms, General Manager, Project Delivery

Date: March 4, 2022 Meeting Date: March 9, 2022

Subject: **Contract Amendment of RFP No. 14-205 - Design Build Consulting Services for the Lions Gate Secondary Wastewater Treatment Plant to Design Consultant, Engineer of Record Service**

RECOMMENDATION

That the GVS&DD Board:

a) amend the contract resulting from RFP No. 14-205 - Design Build Consulting Services for the Lions Gate Secondary Wastewater Treatment Plant in an amount of up to $15,000,000 (exclusive of taxes) to allow AECOM Canada Ltd. to become the design consultant for the project, subject to final review by the Commissioner; and

b) authorize the Commissioner and Corporate Officer to execute the required documentation once the Commissioner is satisfied that the amendment should proceed.

EXECUTIVE SUMMARY

Metro Vancouver has terminated its contract with Acciona Wastewater Solutions LP and is moving forward with a new project delivery model to complete the North Shore Wastewater Treatment Plant Project. Under the new model, Metro Vancouver will work with a general contractor to finalize construction and a design consultant to complete the design, to be the Engineer of Record, and to provide quality assurance services.

Metro Vancouver staff have worked collaboratively with AECOM for them to become the design consultant. This will require an amendment to their current "Owners Engineering" agreement which will allow AECOM to assume all design responsibilities and obligations for the North Shore Wastewater Treatment Facility including both the constructed and future works. Initial amendment of AECOM's contract in the amount of up to $15,000,000 reflects the Phase 1 scope of services under this new delivery model.

PURPOSE

On January 20, 2022, the GVS&DD issued a notice of termination of the contract between GVS&DD and Acciona Wastewater Solutions LP (Project Co). Following termination of the contract, Metro Vancouver proceeded with work to engage an alternate general contractor and design consultant to deliver the project as quickly as possible and in the best interest of the region, with an intent to minimize costs and risks to the public.

The design and construction of the North Shore Wastewater Treatment Plant Project is partially complete. Completed construction includes ground improvement, approximately half of the superstructure structural concrete, and some in-street wastewater conveyance works.

This report is to request authorization by the GVS&DD Board to amend the contract with AECOM Canada Ltd. (AECOM) to assume the design consultant responsibilities for Phase 1 in an amount of up to $15,000.000 (exclusive of taxes).

BACKGROUND

Under the previous project delivery model, Project Co was responsible for the design, construction, commissioning, and process for performance for the plant.

To help to expedite the project while also retaining the ability for competitive pricing of construction for the final delivery of the project, Metro Vancouver has adjusted the project delivery model to retain a general contractor and a design consultant separately.

In accordance with this adjusted project delivery model, the design delivery will be conducted in 2 phases: design diligence review and development (Phase 1), and design completion and construction field services (Phase 2). Under Phase 1, the design consultant and the general contractor will work collaboratively with Metro Vancouver to advance the design and to develop a detailed execution plan, schedule and cost estimate to complete the project. Phase 2 will be the completion of all design, construction, and commissioning of the project (see Attachment for more information on the general contractor approach).

Since project initiation, AECOM has been the owner's engineer, reviewing all design submissions by Project Co on behalf of Metro Vancouver. The original competition to engage an owner's engineer was RFP No. 14-205 - Design Build Consulting Services for the Lions Gate Secondary Wastewater Treatment Plant. This project has since been renamed to North Shore Wastewater Treatment Plant Project.

Pursuant to the *GVS&DD Offers and Delegation Bylaw No. 284, 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 GVS&DD Board of Directors.

This report is being brought forward to the Liquid Waste Committee to consider the recommendation to the GVS&DD Board to amend the contract for AECOM to change from being the project owner's engineer to become the project's design consultant, wherein they will undertake completion of the project design in collaboration with Metro Vancouver.

DESIGN CONSULTANT SERVICES

Metro Vancouver staff have negotiated with AECOM to develop an amendment to their current "Owners Engineering" agreement which will allow AECOM to assume all design responsibilities and obligations for the North Shore Wastewater Treatment Facility.

AECOM are uniquely positioned to assume the role of design consultant for the completion of the design of the North Shore Wastewater Treatment Plant. Their participation in the project from initiation — which included the development of the indicative design and technical specification through to fulfilling their current role as owner's engineer — gives them a comprehensive

understanding of the current status of the design and construction for the north shore facility. Their willingness to assume all obligations and responsibilities of the design consultant and process guarantee makes them a strategic partner. This approach will assist Metro Vancouver in mitigating delays to the overall schedule and provides the most cost effective approach to the transfer of design consultant responsibilities. It will also enhance Metro Vancouver's ability to maintain construction continuity by completing the design more efficiently and will facilitate Metro Vancouver's successful completion of the project.

Under this amendment AECOM will assume all design obligations needed to finalize design and they will augment Metro Vancouver in providing construction management services along with commissioning and operational support for the North Shore Wastewater Treatment Plant. Under the amended contract, AECOM will be required to ensure the quality of the construction meets Metro Vancouver's expectations and all aspects of the final constructed facility meets the life expectancy criteria.

In AECOM's new role as design consultant they will now hold the process guarantees and will ensure that the plant is fully operable and maintainable while meeting its federal and provincial obligations with regards to effluent performance.

The transition of AECOM to assume the role of Metro Vancouver's design consultant will enable cost savings by fast tracking portions of the design and maintaining construction continuity.

ALTERNATIVES

1. That the GVS&DD Board:
   a) amend the contract resulting from RFP No. 14-205 - Design Build Consulting Services for the Lions Gate Secondary Wastewater Treatment Plant in an amount of up to $15,000,000 (exclusive of taxes) to allow AECOM Canada Ltd. to become the design consultant for the project, subject to final review by the Commissioner; and
   b) authorize the Commissioner and Corporate Officer to execute the required documentation once the Commissioner is satisfied that the amendment should proceed.

2. That the GVS&DD Board not approve the amendment of the contract to allow AECOM to become the design consultant for the North Shore Wastewater Treatment Plant, and direct staff to report back to the GVS&DD Board with options for an alternate course of action.

FINANCIAL IMPLICATIONS

The Phase 1 Design Consultant, Engineer of Record service will include design due diligence review and design development services. The budget for this phase of the design consultant services is estimated at $15 million. As part of Phase 1, Metro Vancouver will work with the design consultant and the new general contractor to develop a plan to complete the project, including a revised project budget and schedule.

The award for Phase 2 design completion and construction field services will be brought to the Board for future approval. This will come after the revised budget and schedule to complete the North Shore

Wastewater Treatment Plant has been approved by the Board. The estimated value for both phases is $60,000,000 (exclusive of taxes)

If the GVS&DD Board approves Alternative 1, the contract will be amended to AECOM in the amount of up to $15,000,000 (exclusive of taxes) for RFP No. 14-205 - Design Build Consulting Services for the Lions Gate Secondary Wastewater Treatment Plant. The current approved program budget for the North Shore Wastewater Treatment Plant Program ($1.058b). It is anticipated that the approved project budget and current year cash flow can accommodate the amendment.

The GVS&DD has the choice not to proceed with Alternative 1, but staff will need further direction on how to proceed with the project. It will result in a delay to the project schedule and is anticipated to add additional costs to the overall project and likely impact the schedule of the North Shore Wastewater Treatment Plant Project.

CONCLUSION

Metro Vancouver has implemented an approach finding alternative delivery partners for the North Shore Wastewater Treatment Plant that is designed to get the project delivered as quickly and efficiently as possible while considering cost competitiveness.

Under this amendment, AECOM will assume all design obligations to finalize design and they will support Metro Vancouver by providing construction management services along with commissioning and operational support for the North Shore Wastewater Treatment Plant. Under the amended contract AECOM will be required to ensure the quality of the construction meets Metro Vancouver's expectations and all aspects of the final constructed facility meets the life expectancy criteria.

The transition of AECOM to assume the role of Metro Vancouver's design consultant, "Engineer of Record" will enable cost savings by fast tracking portions of the design and maintaining construction continuity.

It is recommended that the Board authorize the Commissioner and the Corporate Officer to amend the contract with AECOM Canada Ltd. in the amount of up to $15,000,000 (exclusive of taxes).

Attachment

Award of Contract Resulting from RFQ No. 21-457 - North Shore Wastewater Treatment Plant (NSWWTP) Project", February 23, 2022

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