

- 7.3 Corporate Officer P.#
- 7.4 Economic Development Officer
- 7.5 Public Works
- 7.6 Fire/Rescue
- 8 Bylaws, Policies and Resolutions
- 8.1 p.#
- 9 Correspondence
- 9.1 Incoming Correspondence for Action p.#
- 9.2 Correspondence List p.#
 - a) Incoming for Information
 - b) Outgoing Relevant to Council
- 10 Reports from Mayor and Councillors
- 10.1 Mayor Polderman
- 10.2 Councillor Hay
- 10.3 Councillor Graie
- 11 Reports from Committees of Council and Commissions
- 11.1 Citizens' Advisory Select Committee
- 12 New Business
- 13 Calendar of Events/Outstanding Items List
 - a) Citizens' Advisory Select Committee Meeting February 16, 2022
 - b) Regular Council Meeting February 23, 2022
- 14 Closed Meeting
 - a) Items to be Released from Closed Session
 - b) Closed Session
 - Under s. 90(2)(d) a matter that, under another enactment, is such that the public must be excluded from the meeting
- 15 Adjournment
- 15.1 Adjournment of the February 15, 2022 Special Council Meeting

THAT the February 15, 2022 Special Council Meeting be adjourned.



REPORT TO COUNCIL

DATE: February 15, 2022
TO: Mayor & Council
FROM: Recovery Project Manager
SUBJECT: Contract Award for Procurement of Debris Cleanup

Request for: Direction Decision Information

Recommendation:

THAT Council approve the direct award of a contract with Environmental Consultant (Qualified Professional) – IBI Group (Teranis) in the amount of \$250,000 as a 10% retainer; and

THAT Council approve the direct award of a contract with Prime Contractor Matcon Environmental Ltd. in the amount of \$350,000; and

THAT the Mayor and Chief Administrative Officer are authorized to executed the required documents.

Background:

As of January 26, 2022, Lytton First Nation has commenced the debris clean up and remediation on areas of the community (IR17 & IR18) affected by the June 30th Wildfire.

Contractors working for the Insurers (insured properties) expect to mobilize into the Village of Lytton in early March 2022 to begin the debris clean up and remediation of the properties within the Village that are covered under various insurance policies.

Discussion:

Currently, the Village of Lytton is planning on commencing similar debris removal and remediation activities across the community on municipal properties as soon as possible. In order to expedite the schedule, the Village of Lytton requires contracts with Consultants and Contractors to complete the planning and construction activities.

Staff are recommending direct award contracts for the following Work:

1. **Environmental Consultant** (Qualified Professional) – Staff are recommending a direct award contract to IBI Group (Teranis) in the amount of \$250,000 as a 10% retainer prior

to awarding the remainder of the contract, estimated at \$2,500,000.

2. **Prime Contractor** – Staff are recommending a direct award contract to Matcon Environmental Ltd. in the amount of \$350,000 to commence debris clean up on the first five (5) municipal properties (Fire Hall, Public Works, Visitor Info, Pool and Museum) and to provide pre-construction services for planning of the remainder of the Work. We would anticipate awarding the remaining remediation works to Matcon once funding is available, the Order of Magnitude budget for debris clean-up and remediation is estimated at \$10,000,000.

There are a number of reasons that a direct award authorization is being requested:

1. It is in the public interest that Debris Clean-up and Remediation (the Project) activities are completed before the end of 2022. The steps required to undertake full public procurement activities for each of the distinct contracts required are prohibitive to the schedule.
2. The Village of Lytton does not currently have the staffing capacity to complete full public procurement activities.
3. The Consultants and Contractors currently executing the Project for Lytton First Nation have gained valuable, specific and specialized knowledge of the Project requirements that are also required for the Village of Lytton.
4. The Consultants and Contractors currently executing the Project activities for Lytton First Nation were selected based on their qualifications and are recognized experts in their industry. They were selected using public procurement best practices.
5. Coordination and sharing of project specific knowledge and resources between the experts already working on the Project will provide cost savings to the Village of Lytton.
6. Lessons learned by the experts working on the project will be provided to the Village of Lytton to help provide certainty to the project.
7. Through the advanced mobilization of Lytton First Nation, a supply chain of project vendors has already been established. Leveraging this existing supply chain will create economies of scale saving time and costs.

If coordinated effectively, the “staggered start” of activities by Lytton First Nation, the Insurance Industry and the Village of Lytton can be significantly beneficial to the Project. Leveraging a shared work force, shared supply chain, shared work camp accommodations, shared knowledge and a shared vision, the Project can save costs, schedule and provide a higher level of certainty.

Short Term Recovery Plan (if applicable):

Aligns with Short Term Recovery Plan items: #1 - Safe Return / Re-Entry; #7 - Critical Infrastructure

Financial Impact:

The financial implications of undertaking direct awards for Consulting and Construction will be cost neutral or cost positive to the Project.

1. **Environmental Consultant** (Qualified Professional) – Staff are recommending a direct award contract to IBI Group (Teranis) in the amount of \$250,000 as a 10% retainer prior to awarding the remainder of the contract, estimated at \$2,500,000.
2. **Prime Contractor** – Staff are recommending a direct award contract to Matcon Environmental Ltd. in the amount of \$350,000. A separate staff report will come to Council to award the remaining works once funding has been approved for these works.

The funding for these works is in partly included in the \$8.3mil grant recently announced from the Ministry of Municipal Affairs and Housing. \$1.3mil of the \$8.3 was identified in the Municipal Affairs grant fund. The remaining funds will be sourced through granting programs depending on scope of works.

Communication to the Public:

If approved by Council, Staff will notify the public of an Intent to Award on BC Bid, Resident Updates on Village website and communicated to the Ministry of Municipal Affairs and Housing.

Options for Consideration:

- Option 1: That Council direct staff to enter into contracts with IBI Group (Teranis) for environmental – Qualified Professional consulting and Matcon Environmental Ltd, for construction. Both of these entities are the providers currently completing similar services to the Lytton First Nation for the debris removal projects.
- Option 2: That Council direct staff to undertake full public procurement activities for Consulting and Construction Service providers required by the Village of Lytton for the Project.

Staff is recommending Option 1.

Respectfully submitted,

James Heigh,
Project Manager

Leslie Groulx, Acting CAO Concurs and notes:

Currently, the Village of Lytton has not been able to locate a Procurement (purchasing) Policy nor can staff locate the policy by title. In any case Council has the ability to waive their Policy (if exists) or authorize an exemption to tendering process on a case-by-case or class basis. It is not uncommon for a purchasing policy to have a clause that recognizes the need for sole sourcing (direct award) in some circumstances. In the case where there is justification

presented to Council for direct awarding, Council can resolve to direct award. In this case staff have provided several points for Council to consider in the request for approval to direct award or sole source these two contracts.

Staff has corresponded with both the Village's legal counsel and the provincial government who is providing the funding as to the consideration being given for direct award of these contracts to complete recovery works for the Village.

Both sources note that working with contractors that are already on site for recovery efforts with Lytton First Nations may provide some economy and faster response for the debris removal. There is no intent to provide "assistance" to a business nor is there evidence of a conflict of interest with either of these contractors.

In the case of undertaking a procurement process for the provision of various recovery services, the Village intends to "piggy back" the procurement processes undertaken by local First Nations and insurers and use those contractors and service providers to assist in the cleanup and recovery processes.

The second key requirement of the trade agreements is that there must be transparency in the procurement process. The request for direct award is on a public agenda and as noted in the report the procurement processes which the Village will piggy back were undertaken using "public procurement best practices".

Attachments: