



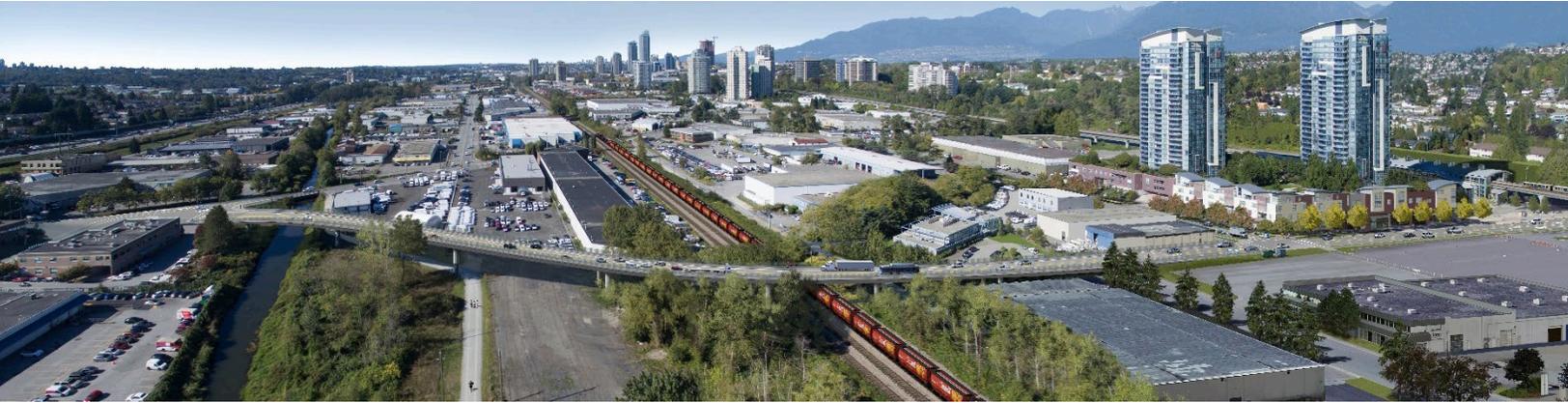
PORT of
vancouver

Vancouver Fraser Port Authority

Gateway program Market sounding

May 2020





Project information

The Port of Vancouver is Canada's largest port. Each day goods from across Canada arrive at the port by rail and road for export, and goods from around the world arrive to be imported to Canada. This trade is growing, which means more goods-movement traffic through the Lower Mainland.

The Vancouver Fraser Port Authority, as part of our mandate to facilitate Canada's trade objectives, is working with partners on infrastructure projects that will ensure efficient road and rail networks in the region and address the impacts of increasing trade and population growth, including on safety, congestion, community access and general livability.

Through a collaborative planning process that involved the port authority, TransLink, the B.C. Ministry of Transportation and Infrastructure, the Greater Vancouver Gateway Council, and Transport Canada, a portfolio of approximately 40 projects across the region, known as the Greater Vancouver Gateway 2030 Strategy, was identified. This strategy serves as a roadmap for infrastructure investment over the next 10 years to ensure we have the necessary supply chain capacity in our road and rail network to meet our growing regional and national needs. In 2018 and 2019, the port authority received funding from the Government of Canada through the National Trade Corridors Fund to complete design and construction of several overpasses, underpasses, and road realignments throughout the region.

About the Vancouver Fraser Port Authority and the Port of Vancouver

The Vancouver Fraser Port Authority is the federal agency responsible for the stewardship of the Port of Vancouver, Canada's largest port.

Like all Canada Port Authorities, we are accountable to the federal minister of transport. Our mandate is to enable Canada's trade through the Port of Vancouver, while protecting the environment and considering local communities.

The port authority is structured as a non-share corporation, is financially self-sufficient and does not rely on tax dollars for operations. Our revenues come from port terminals and tenants who lease port land, and from port users who pay various fees such as harbour dues. Profits are reinvested in port infrastructure.

The port authority has control over the use of port land and water, which includes more than 16,000 hectares of water, over 1,500 hectares of land, and approximately 350 kilometres of shoreline. Located on the southwest coast of British Columbia in Canada, the Port of Vancouver extends from Roberts Bank and the Fraser River up to and including Burrard Inlet, bordering 16 municipalities and intersecting the asserted and established traditional territories and treaty lands of several Coast Salish First Nations. The port is complex and includes many organizations beyond the port authority. Among other roles, we are responsible for overseeing port development as Canada's trade grows, which we do by building infrastructure and by reviewing and permitting development projects in the port.

Background

The Vancouver Fraser Port Authority (port authority) is taking a lead role in delivering several infrastructure projects throughout the lower mainland over the next five years, with a cumulative value of nearly \$1 billion.

Referred to as the Gateway Program, it is a subset of the broader Greater Vancouver Gateway 2030 Strategy (www.vancouvergateway.ca), which includes approximately 40 projects with a cumulative value of approximately \$3 billion. This strategy was developed by the Gateway Transportation Collaboration Forum as a roadmap for smart infrastructure investment over the next 10 years. The intent is to ensure we have the necessary supply chain capacity for our road and rail networks to meet the forecast increase in demand for goods movement to and from international markets and through the Vancouver gateway to the year 2030. In the context of a growing local population, the strategy also seeks to find opportunities to minimize the impact of this growth on surrounding communities by recognizing that infrastructure solutions to support movement of goods can also result in safer and more efficient movement of people through the region.

The port authority-led gateway projects range in value from approximately \$10–\$150 million. They are typically transportation improvement projects involving improvements or construction of roadway overpasses or underpasses of active rail lines and complimentary improvements to the adjacent rail infrastructure (led by the relevant rail company).

These projects are moving forward with secured funding from the port authority, rail companies, and the Government of Canada through the National Trade Corridors Fund. The projects will support jobs and economic benefits related to the efficient movement of Canadian goods to international markets (such as grain from the prairies) and international goods to Canadian consumers (such as electronics), while also seeking opportunities to align with the needs and objectives of local communities and indigenous groups.

Projects planned to start construction summer 2020 include:

- **Mountain Highway Underpass Project in the District of North Vancouver**, involving the lowering (deepening) of the road profile of Mountain Highway under the CN rail bridge structure, and pedestrian sidewalk and intersection improvements (procurement late Q2)
- **Commissioner Street Road Realignment Project on port authority land adjacent to Vancouver**, involving roadway realignment and expansion adjacent to an active rail line, low height retaining walls, relocation of approximately 550m of Metro Vancouver gravity sanitary sewer and other third-party utilities (procurement late Q2)

Projects planned to start construction mid/late-2021 to mid-2022, with potential for procurement to start as soon as late summer/fall of this year include:

- **Kennedy Overpass in Pitt Meadows**, involving the construction of a single span two-lane overpass of an active rail corridor and extensive retaining walls along Kennedy Road
- **Harris Underpass in Pitt Meadows**, involving the construction of a four-lane underpass of an active rail corridor, extensive retaining walls along Harris Road and relocation of municipal and third-party utilities in an urban environment
- **Holdom Overpass in Burnaby**, involving the construction of a multi span, four-lane overpass of Still Creek and an active rail corridor, closure of the Douglas Road at-grade rail crossing, and relocation of municipal and third-party utilities
- **Portside Overpass in Richmond**, involving the construction of a single span, two to four lane overpass of an active rail corridor with suitable clearance to allow for future expansion of the adjacent rail yard, extensive retaining walls along Blundell, No. 8 and Portside roadways, and major relocations of third-party utilities
- **Portside Road extension on port authority land adjacent to Richmond**, involving the construction of a single (or potentially multi-span) three lane bridge over the No. 7 Road and canal with associated land development utility services

- **Fraser Surrey Port Lands Transportation Improvements Project in Surrey**, comprising of re-alignment of the existing Robson Road–Timberland Road (North) Corridor and upgrades to seven existing at-grade rail crossings

Purpose of questionnaire

The purpose of the project briefing and contractor questionnaire is to engage with a broad range of local contractors and obtain feedback on the proposed procurement plans for projects that are planned to start construction mid/late-2021 to mid-2022. The majority of these projects are currently planned to be implemented under a design-build (DB) procurement model, with RFQ's to potentially start as early as Q3 2020. The Portside/Blundell Road Improvements Project is currently planned to be implemented under either a DB procurement model, or as a Progressive Design-Build in the form of Early Contractor Involvement (ECI) with procurement of the ECI proponent as early as Q4 2020.

This questionnaire and the supporting reference documents for the projects listed can be found on the port authority's public website (www.portvancouver.com/infrastructureprocurement). This information includes general details, technical fact sheets and drawings for each of the projects. Additional information is also available on some of the other gateway projects

Contractors are advised that this contractor engagement is not a procurement process, nor will it form part of the subsequent procurement process for the gateway projects. The participation in this engagement process and information provided by contractors will not be used to select qualified participants for the procurement, and will not be included in subsequent evaluation of participants during the RFQ and RFP processes for each project. Contractors' responses to questionnaires and subsequent interviews or dialogue which takes place during this engagement process will not influence participant's pursuit of future procurement opportunities with the port authority.

How to participate

The port authority appreciates the time and input that the industry is providing in response to this questionnaire. Below are questions related to a number of different subject areas where the port authority is seeking industry input. Your insight will help us improve and finalize our delivery model and procurement packages, which will ultimately assist the port authority in effective delivery of the projects.

Contractors are requested to read and prepare responses to the questionnaire by June 3, 2020. Questionnaires returned after this date will be accepted and considered by the port authority, but it may not be possible to arrange a follow up conversation with the responding contractor. Contractors can choose to respond by either:

- a. Completing their response in the body of an email, and emailing to gateway@portvancouver.com
- b. Completing their response in a Word or other word processing document, and emailing to gateway@portvancouver.com

The port authority will review contractor responses and, on an 'as needed' basis, may reach out in writing to contractors with additional questions for supplementary responses, or may elect to hold telephone interviews to clarify responses given. Where appropriate, the port authority will issue a response to contractor questions in the form of a written document made available to all who participated (questions will not be attributed to specific contractors).

Confidentiality

All questionnaire responses and subsequent discussions will be available for review by port authority staff, but will not be shared with other contractors and the public. However, information provided by contractors will not be protected by a non-disclosure agreement. This engagement is an open and transparent process and the information the port authority shares with contractors will be available publicly. Responses will be reviewed by the

port authority and its representatives. A summary report will be prepared without reference to respondent names for specific responses to the questions and will be used by port authority staff for internal purposes.

As noted below, contractors are invited to prepare their own questions for the port authority and return them with the questionnaire response. If the port authority responds to such questions, responses will be returned to the contractor and made available, anonymously, to other contractors on the port authority website. Where the port authority determines that responses to contractor questions would be commercially sensitive or in the port authority's sole discretion it would be inappropriate to respond to the question at this stage, no response will be provided to the originator of that question.

Questionnaire

Procurement

All procurements for the aforementioned projects will be led by the port authority in partnership with the applicable rail company and municipality, and the port authority will be the owner of the resulting contracts. The port authority plans to use a two-stage procurement process to procure design-build contractors for each of the five projects that are planned to start construction mid/late-2021 to mid-2022. Requests for qualification (RFQ) will likely take place for each individual project followed by request for proposals (RFP) issued to tentatively up to three shortlisted respondents (it is anticipated that separate shortlists will be established for each project).

1. The port authority is planning a two-month response period for RFQ's for each project. RFP's will be issued within two months of completing the RFQ stage. A draft of the design-build agreement will be provided to the shortlisted respondents and deposits will be requested to participate in the RFP stage. The RFP stage proposal preparation period will depend on the complexity of the project and the submission requirements. Currently, it is anticipated that this proposal preparation period will be up to four months. Does the contractor have any comments on the proposed timing and duration of the RFQ and RFP process?
2. The port authority is planning a three month combined response period and evaluation period for the ECI RFP, for the Portside/Blundell Road Improvements Project. Does the contractor have any comments on the proposed timing and duration of the ECI RFP process? (two months for response period, one month for evaluation and award)
3. In the contractor's opinion, what makes an effective general bidders' meeting?
4. In the contractor's opinion, what makes an effective in-confidence, without-prejudice meeting?
5. The port authority plans to evaluate the RFP using an initial technical pass/fail process. Submissions that pass this initial pass/fail process will then be further evaluated based on predetermined criteria that will be communicated to bidders within the procurement documents.

Does the contractor have any specific recommendations for how their ability and demonstrated experience and expertise in key areas could be considered in the evaluation review process undertaken by the port authority? Areas may include:

- Health and safety
- Traffic management
- Quality management
- Environmental management
- Sustainability

- Indigenous group participation
 - Innovation
6. Does the contractor have any recommendations regarding the port authority's evaluation of alternative design and construction solutions proposed by contractors in their RFP response that meet the project objectives?
 7. The port authority is considering pursuit of Envision gold or platinum certification for the projects. How does the contractor recommend that the port authority measure the contractors' ability to achieve the necessary credits during construction during the procurement process? Can the contractor comment on a mechanism that the port authority could include to incentivize proponents to achieve envision credits beyond the minimums set in the RFP?
 8. What recommendations for component packaging within or across projects does the contractor have (e.g. bundling of Kennedy Overpass and Harris Underpass as one procurement, or keeping separate)?
 9. In the contractor's opinion, is the procurement timeframe presented on the technical fact sheets realistic based on the identified delivery model?
 10. What recommendations does the contractor have that will help ensure an effective, efficient, and competitive procurement process?
 11. Does the contractor have any recent examples of positive mechanisms from recent DB procurements that contractors would recommend to improve the procurement process?
 12. Does the contractor have any recent examples (past five years) of delivering infrastructure projects using an ECI model? Can you share both positive and negative experiences with this delivery model?
 13. Does the contractor have any preference for an ECI model over DB, for delivery of the Portside/Blundell Road Improvements Project? If so, why?

Commercial

1. Can the contractor provide recommendations that would best ensure delivery of the project prior to the client's funding deadlines?
 - a. Would penalties and incentives be an effective mechanism to avoid delays to project completion?
 - b. If so, how has the contractor seen incentives and penalties successfully included in contracts on other projects?
2. The port authority's agreements with rail companies and local municipalities will include commitments to minimize impacts on road and rail traffic. Can the contractor provide recommendations that would incentivize the contractor to prevent late hand-back of road lane closures and rail track closures? Would penalties and incentives be an effective mechanism to avoid late road and rail hand-back?
3. Which risks does the contractor recommend:
 - a. Being retained by the port authority (and the applicable rail company or municipal partner)?
 - b. Being effectively transferred to the contractor?
 - c. Being shared between the port authority/rail company/municipal partner and the contractor?
4. Are there any risk allocations that might interfere with approval in the contractor's governance?

5. How would the contractor recommend the port authority manage third-party risks related to utilities, rail interface, property, etc.?
6. What is the contractor's level of interest in these projects and what key drivers will determine whether the contractor pursues one or more project?
7. What is the contractor's backlog of work in the timeframes indicated on the technical fact sheets for each project?

Technical

1. The environmental permits that are expected to be required for each project are listed on the technical project fact sheets. Given the long lead times for some permits, the need for some permits to be in place prior to construction start, and the need for detailed designs to support some permit applications, how would the contractor recommend responsibility and risk be allocated for these permits?
2. The project fact sheets identify the location and number of boreholes completed for each project to date and provide a general idea of the ground conditions and potential risks. What additional ground investigation (if any) would the contractor recommend being carried out prior to procurement of each project and how should the port authority allocate subsequent geotechnical risk to minimize project costs?
3. Would the contractor recommend that temporary track diversions, which may be required for the Harris Road underpass, be coordinated with CP and implemented by the port authority or by the DB contractor?
4. The port authority is considering advance works to reduce project risk as identified in each of the technical project fact sheets provided. Does the contractor have any comments on the proposed advance works for each project? Would the contractor recommend modifying the proposed advance works to be completed by the port authority prior to the DB contract award to create additional value and efficiency?

Property

1. What temporary property acquisitions would the contractor recommend the port authority complete prior to DB contract award and make available to the contractor to facilitate effective construction?
2. How, if at all, would the contractor like to be involved in acquiring laydown areas?

COVID-19

The Port of Vancouver plays a vital economic role in Canada by connecting consumers and businesses with the global marketplace. At the port authority, as we respond to the extraordinary circumstances of COVID-19, the safety and health of our employees, customers, operators, contractors and stakeholders is our top priority. The Port of Vancouver remains open for business, and we will continue to ensure the supply of important goods through the port to enable Canadian businesses and support Canadian livelihoods, right across the country. We will also continue our work to deliver on critical trade-enabling projects such as those within the Gateway Program.

1. What is the contractor's general company strategy to deal with the evolving COVID-19 situation with respect to bidding and construction of projects?
2. What issues, risks or opportunities does the contractor foresee in (a) bidding, and (b) construction under the current COVID-19 restrictions?

3. What COVID-19-related issues and risks does the contractor foresee specifically regarding the supply chain of materials and availability of labour?
4. How would the contractor recommend allocating risks due to COVID-19 (in addition to the risk allocation questions presented in the previous 'Commercial' section)?
5. What other feedback and lessons learned can you share on what has/has not worked well on your current projects in construction with the onset of COVID-19?

General

1. Other than issues discussed in previous sections, are there any other hurdles the port authority could remove to enable the contractor's successful completion of a specific project or group of projects across the program?
2. Where have you seen clients successfully mitigate risk so you do not have to price it?
3. What range of construction durations would you envisage for each of the projects?
4. Are there any client decisions that would affect those durations significantly for better or worse?
5. Does the contractor have any suggestions as to what mechanisms the port authority could consider in best managing cost and minimize future change orders and/or claims from the contractor?

Contractor questions to the port authority

1. Contractors are invited to prepare their own questions for the port authority and return them with the questionnaire response.



Learn more:

www.portvancouver.com/infrastructureprocurement
gateway@portvancouver.com

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