

## NON-COMPETITIVE SINGLE SOURCE AGREEMENT

### Blatchford Stage 6

#### Recommendation

1. That a single source agreement between the City of Edmonton and M.A.P. Water & Sewer Services Ltd. (M.A.P) to construct Blatchford West Stage 6, for an amount not to exceed \$27 million, as outlined in the February 28, 2023, Integrated Infrastructure Services report IIS02327, be approved, and that the agreement be in form and content acceptable to the City Manager.
2. That Attachment 1 of the February 28, 2023, Integrated Infrastructure Services report IIS02327 remain private pursuant to sections 16 (disclosure harmful to business interest of a third party), 24 (advice from officials) and 25 (disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act*.

Requested Action		Decision requested	
ConnectEdmonton's Guiding Principle		ConnectEdmonton Strategic Goals	
CONNECTED This unifies our work to achieve our strategic goals.		Urban Places	
City Plan Values	LIVE		
City Plan Big City Move(s)	A community of communities	Relationship to Council's Strategic Priorities	15-minute districts
Corporate Business Plan	Transforming the future		
Council Policy, Program or Project Relationships	<ul style="list-style-type: none"><li>Blatchford Redevelopment</li></ul>		
Related Council Discussions	<ul style="list-style-type: none"><li>N/A</li></ul>		

### Executive Summary

- Administration seeks approval to single source M.A.P. Water & Sewer Services Ltd. (M.A.P) to construct Blatchford West Stage 6, including the servicing to the next residential stage, a linear park, the future Fire Station #8 and a designated affordable housing site, as part of a contract extension to the existing agreement #934985.
- M.A.P.'s scope of work included in this contract extension includes underground utility installation for the district energy sharing system, water mains, sanitary lines, stormwater lines and power lines. It also includes surface works such as construction of roads, sidewalks and landscaping. The anticipated value of this contract is \$27 million based on preliminary opinion of probable costs prepared by the consultant.
- Servicing for the future Fire Station #8 is required by the end of 2024 as the existing fire station is slated to be closed due to changes resulting from the Yellowhead Trail Freeway Conversion. Retaining M.A.P. to continue the construction of Blatchford will reduce costs due to minimizing multiple mobilization efforts, increase resource allocation flexibility and eliminate coordination issues with other contractors. which will lead to a higher likelihood of servicing West Stage 6 and the fire station this year.
- As this is a non-competitive, single source procurement, Executive Committee approval is required. The City of Edmonton's Procurement Standards require a contract of this size to be procured competitively. In this instance, Administration's assessment indicates the benefits of the single-source award outweigh the risks associated with a failure to proceed with a competitive procurement and will result in better value and outcomes for the City.

### REPORT

Blatchford is a bold and transformational land development project. Based on Council's original vision, Administration is following a development approach that prioritizes long-term investments in density, design, city building and climate resilience over short-term profit.

Blatchford contributes to multiple City building goals. It supports and advances the strategic direction of The City Plan. The development also serves as a model of sustainable community design, supporting the goals outlined in the City of Edmonton's Energy Transition Strategy and Action Plan.

Administration is looking to extend the competitively tendered existing Agreement with M.A.P. Water & Sewer Services Ltd. to include Blatchford West Stage 6. This next stage of construction includes the largest stage for residential product so far in Blatchford (195 fee-simple townhouse lots for builders to purchase), a linear park that connects the school parcel to the south storm pond, Fire Station #8 and designated affordable housing site. Attachment 2 outlines the scope of West Stage 6.

M.A.P's scope of work for this contract includes the underground utility installation for the district energy sharing system, water mains, sanitary lines, stormwater lines and power lines. It also includes surface works such as landscaping and the construction of roads and sidewalks. The value of the existing competitively procured agreement for West Stages 2, 3 and 5 was \$22 million. The anticipated value of this single source extension to add Blatchford West Stage 6,

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including the servicing to the next residential stage, a linear park, the future Fire Station #8 and a designated affordable housing site is \$27 million.

Servicing for the future Fire Station #8 is required for the end of 2024 due to the closure of the existing fire station due to changes resulting from the Yellowhead Trail Freeway Conversion. Additionally, much of the servicing work needs to take place before homebuilders can access the land for their construction. A delay in the start of the servicing work will likely impact the start date for additional residential construction.

M.A.P. has been the successful proponent in two separate competitive procurements for Blatchford. As they are currently the prime contractor for the construction of the stage adjacent to West Stage 6, retaining M.A.P. to complete this next stage of construction would offer significant efficiencies. M.A.P.'s existing presence in Blatchford minimizes multiple mobilization efforts, increases resource allocation flexibility and eliminates coordination issues with other contractors.

This would also allow a single contractor to have prime contractor responsibility for the multiple overlapping projects on the site. Coordination and integration risks are reduced as one contractor will be responsible for scheduling and coordinating work on several adjacent project sites while also being responsible for connecting to existing infrastructure constructed by them.

The traditional procurement timelines will make the construction of Stage 6 and the Fire Station in 2024 unachievable. This is based on the anticipated timing of receiving the necessary approvals required to go through the competitive tender process. With the City of Edmonton procurement limitations and legal implication, the assessments show that advantages of single source will outweigh the risks associated with competitive procurement.

### **Budget/Financial Implications**

Funding for the development of Blatchford has been approved through the Blatchford Redevelopment Implementation profile (CP 14-02-2106).

The total value of the contract with the proposed extension will be approximately \$49 million.

### **Legal Implications**

As per the City Administration Bylaw 16620, procurement agreements more than \$1 million that do not arise from a competitive process must be approved by the appropriate Council Committee.

Other legal implications are summarized in Attachment 1.

### **Community Insight**

Since the Blatchford redevelopment started in 2008, Administration has engaged in extensive discussions, public consultations, and expert analysis to inform the development of the community's vision. As Blatchford has moved from the planning stage to a new neighbourhood, Administration has established open lines of communication with homebuilders and residents to understand the community's evolving needs.

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### **GBA+**

The Blatchford project team applies a GBA+ lens to design by incorporating input from diverse stakeholders, and considering accessibility for all to this public transit infrastructure.

Communications and engagement techniques will also be designed using a GBA+ lens, considering the multiple and diverse project audiences and stakeholders, ensuring information and engagement opportunities are accessible and meet the needs of all groups.

### **Attachments**

1. Legal Implications - PRIVATE
2. Blatchford West Stage 6