



REGIONAL DISTRICT of Fraser-Fort George

Additional Item

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REPORT FOR CONSIDERATION

TO: Chair and Directors File No.: BOA 1.8

FROM: Kenna Jonkman, MCIP, RPP, General Manager of Community and Development Services of Writer

DATE: August 14, 2024

SUBJECT: Dore River Flood and Erosion Mitigation Project

SUMMARY: Purpose: Consideration of Construction Cost Reallocation

Attachments: None

Previous Reports: Item No. 13.2, June 2024

RECOMMENDATION(S):

1. THAT the report dated August 14, 2024, regarding "Dore River Flood and Erosion Mitigation Project" be received for information.
2. THAT the remaining unspent accelerated construction funding as of August 15, 2024 be reallocated, as needed, to the works required under scope of the project.

ENTITLEMENT	HOW VOTE COUNTED
All 1 Director/1 vote	Majority
All 1 Director/1 vote	Majority

ISSUE(S):

At the April 2024 meeting, the Board awarded the Dore River Erosion Protection project to Profor Management Inc. for a contract price of \$1,879,070.00.

In June 2024, the Board approved an accelerated construction path for this project at an incremental cost of \$506,445 to provide the resources necessary to accelerate construction within the approved Department of Fisheries and Oceans (DFO) window of July 15, 2024 to September 15, 2024 for in-stream works.

Since the June meeting, Administration has continued to work closely with the contractor, Profor Management Inc. and McElhanney Ltd. as the Regional District's engineering experts and project manager for the project.

As the project approached in-stream works, different interpretations concerning the required in-stream works under the scope of the contract has arisen. Based on the different interpretations of the contractor and the Regional District (via McElhanney as engineer of record on the project), there may be enhanced costs required for the contractor to provide the services considered in scope for required in-stream works..

With the project budget having minimal contingency remaining, there is not sufficient funding in the project budget to absorb a potential change order. To alleviate this financial challenge, Administration has held discussions with the Contractor to determine potential solutions.

The most suitable solution determined based on current progress to date on the project, the overall project costs and the grant funding available, is to pause the accelerated construction schedule and reallocate any remaining funds from the accelerated construction to cover the increased costs from this scope of work issue. In early July, the Regional District needed to obtain a Ministry of Forest Exemption for works done during high fire danger rating, the contractor has not been able to fully execute accelerated works. With one month left in the DFO approval window, the contractor and McElhanney have indicated that it is unlikely, even with accelerated funds, that the in-stream works will be completed per the original proposal submitted by the contractor for the June Board meeting.

The Board is being asked to consider approving any remaining unspent project acceleration funding being reallocated to the overall scope of the project.

This approach would require an amendment to the DFO *Fisheries Act* Authorization that the project is currently utilizing. An amendment for an extended construction season this fall and/or a winter 2025 construction (in-stream works) window would need to be submitted to and approved by DFO. Conversations with DFO have already started and they are aware that the Regional District will be requesting an extension and/or an additional window to complete the in-stream works.

The Board is being asked to consider next steps for the Dore River Flood and Erosion Mitigation Project construction.

RELEVANT POLICIES:

Policy RD-03-09 Procurement of Goods and Services

- provides for procurements levels and limits
- provides for sole sourcing

Regional District of Fraser-Fort George Delegation Bylaw No. 3276, 2022

- requires contracts over \$100,000 in value to be considered for approval by the Board

Emergency Management Program Administration Bylaw No. 2960, 2015:

- provides for the administration and operations of the emergency preparedness service including the development, maintenance, and management of the Emergency Management Program.

Dore Riverfront Armouring Management and Maintenance Service Establishment Bylaw No. 3290, 2022:

- provides funding for riverbank management and maintenance within the Dore Riverfront Armouring Management and Maintenance Service Area

STRATEGIC ALIGNMENT:

- Climate Action
 Economic Health
 Indigenous Relations
 Strong Communities
 None – Statutory or Routine Business

SERVICE RELEVANCE:

The Dore Riverfront Armouring Maintenance and Management Service was established to support the long-term maintenance and asset management of the proposed bank armouring works along this particular section of the Dore River.

FINANCIAL CONSIDERATION(S):

The Dore Riverfront Armouring Maintenance and Management Service was established to support the long-term maintenance and asset management of the proposed bank armouring works along this particular section of the Dore River. The Regional District will start taxing for this service once the project has been started. There are currently no funds allocated/ in reserve for this taxable service.

OTHER CONSIDERATION(S):

N/A

DECISION OPTIONS:

1. Approve recommendations.
 - The remainder of unspent accelerated construction funding will be reallocated to fund additional costs associated with the original scope of the project.

Other Options:

- a. Postpone consideration of the reallocation of the accelerated construction funding
 - The project will not have sufficient funding allocated to it and construction may need to be halted until the scope of work and funding can be matched

COMMENTS:

Regional District Administration has been actively working to ensure success of the Dore River Flood and Erosion Mitigation Project.

Respectfully submitted,

“Kenna Jonkman”

Kenna Jonkman, MCIP, RPP
General Manager of Community and Development Services

CC:KJ:jg