



# REPORT

To: Electoral Area Directors Committee

Report Number: ENV-EADC-047

From: Environmental Services

Date: July 24, 2025

**Subject: Contract Cancellation Considerations – ITT 18-2025 High Level Crescent & Alaska Highway Redundancy Project**

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## **RECOMMENDATION #1:**

That the Electoral Area Directors Committee recommend that the Regional Board approve cancellation of ITT 18-2025 Charlie Lake Sewer High Level Crescent Redundancy Project.

## **RECOMMENDATION #2:**

That the Electoral Area Directors Committee recommend that the Regional Board approve the acquisition of an Archaeological Impact Assessment for the Charlie Lake Sewer Service Area to support future capital project permitting efficiency utilizing previously allocated Electoral Area C Peace River Agreement Funds.

## **BACKGROUND/RATIONALE:**

On May 22, 2025, the Regional Board passed the following resolution:

*MOVED, SECONDED and CARRIED,*

*That the Regional Board award Invitation to Tender 18-2025 “High Level Crescent and Alaska Highway Piping Redundancy” for installation of a sewer redundancy mainline to Big League Utilities Ltd. at a cost of \$343,500 (excluding taxes) utilizing previously allocated Area C Community Works Gas Tax funds; further, that the Chair and Chief Administration Officer be authorized to sign the contract on behalf of the Peace River Regional District*

The High level Crescent and Alaska Highway Redundancy Project was initiated to improve infrastructure resilience and service continuity within the Charlie Lake Sewer System. The project proposed the installation of a redundant piping system in the Ministry of Transportation and Transit (MOTT) right-of-way to provide backup capacity and reduce potential service disruptions. However, after further planning and regulatory review, several issues have made the project costly and complicated to move forward:

- **Archaeological and Regulatory Requirements:** The area where the work was planned requires detailed archaeological assessments and regulatory approvals, which have turned out to be more extensive and expensive than expected.
- **Easements and Rights-of-Way:** MOTT recommended not placing the sewerage infrastructure within the right-of-way due to the future potential of a road being constructed within the area. It was recommended that the infrastructure be placed along the private land boundaries adjacent to

the MOTT right of way. This project would require permission to access land from multiple property owners. These negotiations could lead to delays, high-cost implications, and legal challenges.

- **Cost vs. Benefit:** With the added costs and delays, the overall benefit of the project no longer outweighs the effort and expense required.

As a result, staff is recommending that Invitation to Tender 18-2025 be cancelled. Since the ITT was awarded and the Notice of Award was issued, the Contractor did purchase materials and supplies. The cost implications for cancelling the tender are highlighted in the Financial Considerations section of this report.

MOTT has introduced archaeological assessment requirements as part of its permitting process, as required by the *Heritage Conservation Act*. These were not communicated to PRRD staff at the time of application and were only shared six months later during the project review. MOTT has stated that a guideline will be provided to clarify these requirements, however no timeline has been given. To improve permitting efficiency for future projects in the Charlie Lake Sewer Service Area, staff recommends conducting a blanket Archaeological Impact Assessment (AIA) across the entire service area boundary. This would streamline approvals for upcoming capital projects on Crown land over the next two years.

#### **ALTERNATIVE OPTIONS:**

1. That the Electoral Area Directors Committee provide further direction.

#### **STRATEGIC PLAN RELEVANCE:**

- ☒ Asset and Infrastructure Management

#### **FINANCIAL CONSIDERATION(S):**

Following the Notice of Award, Big League Utilities Ltd purchased \$43,500 in materials, insurance and bonding costs for the Charlie Lake Sewer High Level Crescent and Alaska Highway Redundancy project. These costs will be reimbursed if the PRRD cancels the contract. In that case, the PRRD would purchase and store the materials for future use in the Charlie Lake area.

The project is funded through Electoral Area C Peace River Agreement grant funding. The original project budget was \$629,000 with \$80,000 allocated to engineering design, some of which has already been spent. If the contract is cancelled, the grant funds will cover the reimbursable costs. Any unallocated funds will be redirected to cover the costs of the blanket Archaeological Impact Assessment and contingencies on future projects.

#### **COMMUNICATIONS CONSIDERATION(S):**

Should the tender be cancelled, public notifications will be issued letting the public know the project will not move forward.

**OTHER CONSIDERATION(S):**

Should the acquisition of a generalized blanket Archeological Assessment for the Charlie Lake Sewer Service Area be denied, individual archeological assessments will need to be included in all works requiring approval and permitted by the MOTT.

External Link:

1. [Contract Award ITT 18-2025 High Level Crescent and Alaska Highway Redundancy ENV-BRD-241](#)  
– See Item 8.11 on the Regional Board Agenda dated May 22, 2025.