

3

CONSULTANT SELECTION FOR DETAILED DESIGN CONTRACT ADMINISTRATION AND SITE INSPECTION NOBLETON WATER SUPPLY PROJECT TOWNSHIP OF KING – PROJECT 73160

The Transportation and Works Committee recommends the adoption of the recommendations contained in the following report, December 4, 2007, from the General Manager, Water and Wastewater:

1. RECOMMENDATIONS

It is recommended that:

1. The consulting engineering firm of First Nations Engineering Services Ltd. be engaged to undertake the detailed design, contract administration and site inspection for the Nobleton Water Supply Project as outlined in this report, at an upset limit cost of \$501,438.00, including GST.
2. The Regional Chair and Regional Clerk be authorized to execute a formal agreement with First Nations Engineering Services Ltd. for the completion of these engineering services, subject to review by Legal Services.

2. PURPOSE

This report seeks Council authorization to retain engineering services related to the Nobleton Water Supply Project.

The Purchasing By-law requires Council authorization to award Request for Proposals (RFP) over \$500,000 or when the recommended proponent does not have the lowest cost. In this case, the recommended proponent has the lowest cost, but the total cost is greater than \$500,000. Therefore, Council authorization is required.

3. BACKGROUND

3.1 Environmental Assessment (EA)

The Environmental Study Report for the Class Environmental Assessment (EA) and Water Resource Exploration for Water Supply and Storage in the Community of Nobleton (MMM Group, September 2007), is in the process of being approved under the provisions of the *Environmental Assessment Act*. The notice of completion for the Class EA was filed on September 26, 2007. Within the 30-day review period, one Part II Order (bump-up) request was received. The Regional project team will deal with the Part II

Order request over the next few months. During this time, the Region is moving ahead to retain consulting services for the implementation phase of the project.

The community of Nobleton requires additional water supply and storage capacity, as determined in the EA, to accommodate future growth as detailed in their approved community plan. This project will provide that additional water supply for the community.

3.2 Request for Proposals (RFP)

In accordance with the Purchasing By-law, the Region invited proposals (P-07-66) from qualified consultants to provide engineering services to complete the detailed design, contract administration and site supervision for the Nobleton Water Supply Project.

Based on the information provided in the formal responses to the Region's request for qualification for engineering services No. P-06-114, the following firms were invited to submit a proposal:

- The Municipal Infrastructure Group.
- First Nations Engineering Services Ltd.
- KMK Consultants Ltd.

3.2.1 Scope of Work

As per the RFP, the project will be delivered using the design/tender/construction approach. In order to facilitate the project in a co-ordinated manner, it is intended to retain the services of a single consultant to provide complete engineering services during the following stages of the project.

Detailed Design and Tendering

- Pre-Design.
- Design.
- Approvals.
- Tender and award.

Construction

- Pre-Construction.
- Notifications.
- Construction (contract administration and site inspection).
- Training.
- Commissioning.
- Completion (substantial performance, facility assumption, total performance, final documents, manuals and record drawings).
- Warranty period.

3.2.2 Project Works

The detailed design drawings and contract documents are to be prepared for the bidders to tender for construction services. The major works to be completed under this project include, but are not limited to, the following:

- Development of production well NOB-4-PW.
- A new pumphouse (approximately 100m²) incorporating mechanical, electrical, chemical feed, emergency power generation and an office.
- Development of the well/pumphouse site including site works, underground power supply, an access driveway and screen plantings.
- A 200mm diameter transmission main (approximately 100m) to connect the pumphouse to the existing watermain at Highway 27 including a chlorine contact tank and connection to the existing watermain.
- 300mm dia. watermain (approximately 800m) along Highway 27 connecting the proposed elevated tank to the existing watermain.
- The proposed elevated tank detailed in the Environmental Study Report is not included in the works for this project.

The location plan (*see Attachment 1*) showing the project works is appended.

4. ANALYSIS AND OPTIONS

The proposals were evaluated using the two envelope system with technical and financial information kept in separate envelopes. The technical proposal was evaluated prior to any knowledge of financial information. Technical content was weighted at 80%. The Region's proposal evaluation team reviewed the technical/management proposal based on, but not solely limited to, the following criteria for the proponent's project team experience and project implementation:

4.1 Proponent Project Team Experience

- Corporate experience with the Region and on similar projects.
- Project manager(s) and key staff experience.
- Technical support staff experience.
- Staff training.
- Sub-consultant's experience.
- Other miscellaneous issues.

4.2 Project Implementation

- Completeness and comprehensiveness of the proposal submission.
- Understanding of the project and the services to be provided.
- Viability of the approach methodology.
- Understanding of the deliverables to be provided.

- Project management approach including planning and scheduling of key activities and resources.
- Implementation of the quality assurance and quality control process and its deliverables.
- Approach to health and safety.
- Other miscellaneous aspects of the project.

The financial evaluation composed the remaining 20% weight of the total evaluation. The technical and financial results are summarized in Table 1 below.

Table 1
Consultant Proposal Evaluation Summary

Firm	Technical Score (out of 80)	Upset Fee (incl GST)	Financial Score (out of 20)	Total Score (out of 100)	Price per Technical Score
First Nations Engineering Services Ltd.	50.1	\$501,438.00	20.0	70.1	\$10,008.74
KMK Consultants Ltd.	59.8	\$718,504.50	14.0	73.8	\$12,015.13
The Municipal Infrastructure Group Limited	51.0	\$716,831.85	14.0	65.0	N/A

KMK Consultants Ltd. had the highest technical score and their technical proposal featured high scores in corporate and staff experience, their approach methodology and their project management and quality assurance and quality control processes.

Given that the second highest total score was within five points of this highest total score, a “Dollar Cost per Technical Point” analysis was conducted and First Nations Engineering Services Ltd. had the lowest price per technical score at \$10,008.74.

The First Nations Engineering Services Ltd. proposal demonstrated their capabilities to provide the engineering services required to satisfy the RFP. While their proposal ranked second overall, based on the “Dollar Cost per Technical Point” analysis as stipulated by the Region’s Purchasing By-law, the First Nations Engineering Services Ltd. proposal represents the best overall value to the Region.

5. FINANCIAL IMPLICATIONS

The upset limit fee for the proposed work is \$501,438.00, including GST. Sufficient funds are included in the 2007 Budget and Business plan for this assignment.

Payment for engineering services during construction is based on contract duration. Lump sum prices for contract administration and site inspection are included for 220 and 180 regular working days, respectively, within the financial proposal. If actual contract duration varies from the above estimated working days, then the payments to the Consultant will be adjusted on a pro-rated basis using the per diem costs derived from the fee proposal.

6. LOCAL MUNICIPAL IMPACT

Once completed, the Nobleton Water Supply Project will increase the potable water supply capacity to the community of Nobleton and allow them to provide for their projected 2021 population.

7. CONCLUSION

The proponents' proposals for this project were evaluated in accordance with Regional procedures. It is recommended that First Nations Engineering Services Ltd. be engaged to undertake the detailed design, contract administration and site inspection for the Nobleton Water Supply Project at the upset limit cost of \$501,438.00, including GST.

For more information on this report, contact Bala Araniyasundaran, extension 5131, Director, Capital Delivery of the Water and Wastewater Branch in Environmental Services.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause was included in the agenda for the January 16, 2008 Committee meeting.)