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CONSULTANT SELECTION FOR CLASS ENVIRONMENTAL ASSESSMENT STUDY, DETAILED DESIGN, CONTRACT ADMINISTRATION AND SITE INSPECTION SERVICES FOR THE PD7/PD8 BATHURST STREET WATERMAIN, TOWN OF RICHMOND HILL – PROJECT 76290

The Transportation and Works Committee recommends the adoption of the recommendations contained in the following report, November 21, 2008, from the Commissioner of Environmental Services, together with the following additional recommendation:

- 3. Staff report back to the Transportation and Works Committee at the completion of the project with an analysis of the key project objectives including completion according to schedule and within the scope and the established upset limit cost as outlined in the RFP.**

1. RECOMMENDATIONS

It is recommended that:

1. The consulting engineering firm of Hatch Mott MacDonald Limited be engaged to undertake the class environmental assessment study, detailed design, contract administration and site inspection for the PD7/PD8 Bathurst Street Watermain Project as outlined in this report, at an upset limit cost of \$1,121,091 excluding GST.
2. The Regional Chair and Regional Clerk be authorized to execute a formal agreement with Hatch Mott MacDonald Limited for 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 class environmental assessment study, detailed design, contract administration and site inspection for the PD7/PD8 Bathurst Street Watermain Project.

The Purchasing By-law requires Council authorization to award Requests for Proposals (RFP) over \$500,000 or when the recommended proponent does not have the lowest cost. In this case both of these Council authorization triggers apply as the RFP is over \$500,000 and the recommended proponent Hatch Mott MacDonald Limited does not have the lowest cost.

3. BACKGROUND

Project need identified in the 2004 Long Term Water Master Plan

The need for this project was identified in the 2004 Long Term Water Master Plan and is required to service growth in Richmond Hill Pressure Districts seven and eight (PD7/PD8) service areas in accordance with the growth and development objectives of the Region.

Specifically, this project includes the construction of approximately three kilometres of watermain and will enhance water service reliability and allow for approved local growth and development in the designated service areas.

4. ANALYSIS AND OPTIONS

Request for Proposal issued to three qualified engineering consulting firms

In accordance with the Purchasing By-law, a Request for Qualifications (RFQ) was advertised in the Daily Commercial News and on the Electronic Tender Network. Based on a formal evaluation of responses to this RFQ, the following three Engineering Consulting Firms were issued a Request for Proposals (RFP) to carry out the necessary class environmental assessment study, detailed design, contract administration and site inspection for the PD7/PD8 Bathurst Street Watermain Project:

- Hatch Mott MacDonald Limited
- The Municipal Infrastructure Group Limited
- AECOM

Scope of services to be provided includes Class Environmental Assessment, Detailed Design and Contract Administration

The Request for Proposals (RFP's) provides a detailed scope of required services. An overview of the required scope of services is as follows:

- Project planning and control
- Class Environmental Assessment study
- Detailed design and approvals
- Tender and award
- Construction contract administration and site inspection
- Quality assurance and quality control

Proposals were evaluated using the two envelope system

Proposals were evaluated using the two envelope system with technical and financial information submitted in separate envelopes. Technical proposals were evaluated prior to any knowledge of financial information. Technical content was weighted at 80%.

The Region's proposal evaluation team reviewed the three technical/management proposals based on the following criteria:

- Experience of key project staff
- Applicable staff training
- Sub-consultant's experience
- Understanding of the project
- Understanding of the deliverables
- Project approach and methodology
- Project management approach
- Quality assurance and control process

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

Table 1
Consultant Proposal Evaluation Summary

Firm	Technical Score (out of 80)	Upset Limit Cost	Financial Score (out of 20)	Total Score (out of 100)	Price per Technical Score
Hatch Mott MacDonald	61.50	\$1,121,091	19.68	81.18	\$18,229.12
The Municipal Infrastructure Group	57.60	\$1,103,120	20.00	77.60	\$19,151.38
AECOM	50.50	\$1,106,290	19.94	70.44	N/A

Evaluation of proposals resulted in Hatch Mott MacDonald Limited achieving the highest total score and the lowest price per technical score

The firm with the best Total Score is Hatch Mott MacDonald Limited. Given that the Total Score achieved by The Municipal Infrastructure Group is within 5 points of the highest Total Score, a “dollar cost methodology” calculation was completed, as required by the Purchasing By-law. The result of this calculation, as shown in the last column of Table 1 above, determined that the upset limit cost submitted by Hatch Mott MacDonald Limited represents the best overall value to the Region.

The technical proposal submitted by all three proponents presented highly qualified Project team members as well as strong sub-consultant support. The technical proposal submitted by Hatch Mott MacDonald Limited, however, stood out from the rest primarily in the key areas of project understanding and approach and methodology. This provided the evaluation team with a high level of confidence that the key project objectives would be met including completion on schedule and within the scope and the established upset limit cost outlined in the RFP.

5. FINANCIAL IMPLICATIONS

The upset limit cost included in the highest rated proposal is \$1,121,091 excluding GST. The proposed 2009 Capital Program outlines a total budget for this project of \$8,373,000, with approved funding in 2008 of \$110,000. Given that this consultant assignment will be awarded in the last month of 2008, sufficient funds are available in the 2008 Budget for work anticipated to be completed this year.

Payment for engineering services during construction is based on construction contract duration. Lump sum prices for contract administration and site inspection are included for 180 contract working days within the Financial Proposal. If the actual contract duration varies from the above estimated working days, then payments to the consultant will be pro-rated based on their lump sum price submitted for the 180 contract working days.

6. LOCAL MUNICIPAL IMPACT

Once completed, the PD7/PD8 Bathurst Street Watermain will increase the supply of water to the PD7/PD8 service areas of Richmond Hill required to service approved growth. Completion of this project is required in the first quarter of 2011.

7. CONCLUSION

Three proposals for this project were evaluated in accordance with Regional procedures. It is recommended that Hatch Mott MacDonald Limited be engaged to undertake the

class environmental assessment, detailed design, contract administration and site inspection for the PD7/PD8 Bathurst Street Watermain Project at an upset limit cost of \$1,121,091, excluding GST.

The proposal from Hatch Mott MacDonald represents the best overall value to York Region.

For more information on this report, please contact Bala Araniyasundaran, Director of Capital Planning and Delivery, Environmental Services, at extension 5131.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is attached to this report.)