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CONSULTANT SELECTION FOR ENGINEERING SERVICES KESWICK WATER TREATMENT PLANT UPGRADES PROJECT 79540-08-07

The Environmental Services Committee recommends the adoption of the recommendations contained in the following report dated October 29, 2009, from the Commissioner of Environmental Services.

1. RECOMMENDATIONS

It is recommended that:

1. The consulting engineering firm of Genivar Consultants LP be engaged to undertake the Detailed Design, Contract Administration and Site Inspection for the Keswick Water Treatment Plant Upgrades project, as outlined in this report, at an upset limit fee of \$670,465.58 including GST.
2. The Commissioner of Environmental Services be authorized to adjust the contract administration and site inspection fees using the competitive unit price of \$4,519.17 per week including GST, to match the updated construction duration determined on completion of detailed design.
3. The Regional Chair and Regional Clerk be authorized to execute a formal agreement with Genivar Consultants LP for completion of these engineering services, subject to review and approval from Legal Services.

2. PURPOSE

This report seeks Council authorization to retain engineering services related to the Detailed Design, Contract Administration and Site Inspection for the Keswick Water Treatment Plant Upgrades project. A location plan is appended to this report (*see Attachment 1*).

The Region's Purchasing By-law requires Council authorization to award Request for Proposals (RFP) over \$500,000 or when the recommended proponent is not the lowest bidder.

3. BACKGROUND

Project need identified through Condition Assessment Project

The Environmental Services Department employs a systematic and consistent approach to identify and prioritize key improvements to existing infrastructure to ensure that delivery of water and wastewater services is sustainable, reliable and efficient.

The detailed condition assessment of the Keswick Water Treatment Plant was completed in July 2009. The Keswick Water Treatment Plant was originally constructed in 1982 and, for the most part, the existing equipment is approaching the end of its service life and the plant can not produce water at its rated capacity. The condition assessment report recommends upgrades, which are required to extend service life, restore plant treatment capacity, and meet current Occupational Health and Safety Act (OHSA) guidelines.

4. ANALYSIS AND OPTIONS

Nine engineering consulting firms responded to Request for Proposal

In accordance with the Region's Purchasing By-law, engineering firms were invited to submit proposals for the assignment. The following nine firms submitted proposals.

- AECOM
- Conestoga Rovers and Associates (CRA)
- CMP Engineering Group Ltd.
- G.D. Jewell Engineering Inc.
- Genivar Consultants LP
- GHD Inc.
- Hatch Mott MacDonald (HMM)
- The Municipal Infrastructure Group (TMIG)
- Stantec Consulting Ltd.

The Request for Proposal detailed the scope of work required, which included the following services:

- Project management, planning and control
- Detailed design
- Procurement of approvals
- Tender and award
- Construction contract administration including site inspection
- Quality assurance and quality control

Proposals were evaluated using the two-envelope system

Eight 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. The content of technical proposals was weighted at 80%. The proposal from CRA was deemed non-compliant and rejected as it did not to comply with mandatory requirements.

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

- Corporate experience and water treatment plant engineering experience of the firm
- Project manager and proposed key staff experience for similar projects
- Proposed technical support staff experience for similar projects
- Project understanding and ability to deliver the project
- Staff training and skills upgrade policy of the firm
- Sub-consultants' experience
- Project management, implementation and in-house resources
- Professional designations
- Energy management and innovative concepts presented by the proponent
- Other miscellaneous issues

The financial evaluation composed the remaining 20% of the total evaluation. To be considered for award, proponents must achieve a minimum technical score of 60% (48 points) out of the potential 80 points allocated to technical merit. CMP Engineering and G.D. Jewell Engineering Inc. did not have their financial envelopes opened as they did not achieve the minimum score of 48 points on their technical proposals. Technical and financial results are summarized in Table 1 below.

Table 1
Consultant Proposal Evaluation Summary

Consultant	Technical Score (Out of 80)	Financial Score (Out of 20)	Total Score	Cost per Technical Point	Total Fee (Including GST)
Genivar Consultants	54.7	20.0	74.7	\$11,671.64	\$670,465.58
AECOM	55.0	17.3	72.3	\$13,439.18	\$776,113.00
GHD Inc.	53.9	16.8	70.7	\$14,068.00	\$796,178.25
HMM	51.2	16.5	67.7	N/A	\$811,674.15
Stantec Consulting	49.3	16.9	66.2	N/A	\$794,982.00
TMIG	50.1	14.2	64.3	N/A	\$947,310.00
CMP Engineering	47.5	N/A	N/A	N/A	N/A
G.D. Jewell Inc.	25.5	N/A	N/A	N/A	N/A

Evaluation summary revealed Genivar as highest ranked proponent

When two or more bidders are within five points of the highest overall score, a dollar cost per technical point methodology is applied to determine the winning bidder. In this case the proponent with the highest total score (74.7), lowest upset limit fee and lowest cost per technical point score was Genivar Consultants LP. Their proposal represents the best overall value to the Region.

Supplies and Services Branch has reviewed the evaluation summary and has issued their internal report confirming Genivar Consultants LP be recommended as the successful overall proponent for Engineering Services for the Keswick Water Treatment Plant Upgrades project under Request for Proposal P-09-82.

5. FINANCIAL IMPLICATIONS

The upset limit cost included in the highest rated proposal is \$670,465.58 including GST. The proposed 2010 capital program includes a total project budget of \$4.5 million for this project. This report requests Council approval for funding of this assignment as well as the additional \$3.83 million funding for the construction of this project in 2011 and 2012 as requested through the draft 2010 proposed budget.

Payment for engineering services during construction is based on construction contract duration. Based on the condition assessment report and preliminary design, an allowance for contract administration and site inspection services of 275 working days (55 weeks) is included within the financial proposal. The proposal includes unit prices for contract administration and site inspection, in this case \$4,519.17 per week. Actual construction duration will be determined upon completion of detailed design and construction staging and may vary from the estimated hours that were quoted on by all parties in the Request for Proposal. The construction administration and site inspection fees may need to be adjusted based on competitive pricing to match the updated construction duration at the tendering stage for the contract. It is recommended that the Commissioner of Environmental Services be authorized to amend the contract to reflect these changes.

6. LOCAL MUNICIPAL IMPACT

Upgrading the infrastructure at the Keswick Water Treatment Plant will ensure that continued reliable and efficient water servicing is provided to the Town of Georgina that continues to meet legislative drinking water requirements. The water production capacity of the Keswick Water Treatment plant will be restored from 10 Ml/day to 15 Ml/day. Combined with the Willow Beach Water Treatment Plant expansion, the water production capacity for the Town of Georgina will increase from 30 Ml/day to 45

MI/day. With this infrastructure expansion, the water system capacity can service growth in the Town of Georgina up to 2026. Water capacity expansion will be matched in Keswick by expansion of the Keswick Sewage Treatment Plant.

7. CONCLUSION

Implementation of the Keswick Water Treatment Plant Upgrades Project will improve facility operation, meet planned initiatives of the 2009 IIP program and achieve the rated performance of the Keswick Water Treatment Plant for next twenty-five years. This planned investment in upgrading aging infrastructure is necessary to improve the reliability and sustainability of water servicing to the Town of Georgina.

Consultants' proposals were evaluated in accordance with the Region's Purchasing By-law. The proposal from Genivar Consultants LP represents the best overall value to the Region and it is recommended that the project assignment be awarded to Genivar Consultants LP at the upset limit cost of \$670,465.58, including GST.

For more information on this report, please contact Daniel Kostopoulos, Director, Capital Planning and Delivery, Environmental Services at extension 5070.

The Senior Management Group has reviewed this report.

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



LOCATION PLAN

Consultant selection for Engineering Services
Keswick Water Treatment Plant Upgrades Project
Town of Georgina – Project 79540-08-07



ENVIRONMENTAL SERVICES