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CONSULTANT SELECTION FOR DETAILED DESIGN AND CONTRACT ADMINISTRATION OF THE PD7 ELGIN MILLS WATERMAIN TOWN OF RICHMOND HILL – PROJECT 76120

The Environmental Services Committee recommends the adoption of the recommendations contained in the following report dated April 30, 2010, from the Commissioner of Environmental Services.

1. RECOMMENDATIONS

It is recommended that:

1. Cole Engineering Group Ltd. be engaged to undertake the Addendum to the Class EA Study, Detailed Design, Contract Administration and Site Inspection for the Pressure District 7 Elgin Mills Road Watermain, Enford Road to Bayview Avenue in Richmond Hill as outlined in this report, at an upset limit fee of \$759,838.90 excluding GST. The upset limit fee includes:
 - a. \$516,635.30 for detailed design and engineering services.
 - b. \$243,203.60 for contract administration and site inspection services, based on 36 weeks construction duration estimated by staff.
2. The Commissioner of Environmental Services be authorized to adjust the contract administration and site inspection fees using the competitive unit price of \$6,755.66 per week excluding GST, once the updated construction duration is determined and specified in the tender documents.
3. Regional Council authorize an amendment to the 2010 Capital Budget to increase the Total Project Budget Authority for this project from \$3,358,000 to \$7,363,000 with the additional funding required for construction of this project in 2011 and 2012.

2. PURPOSE

This report seeks Council authorization to retain engineering consultant services related to the Detailed Design, Contract Administration and Site Inspection for the Pressure District 7 Elgin Mills Road Watermain, Enford Road to Bayview Avenue project in Richmond Hill. A location plan is appended to this report (*see Attachment 1*).

The Purchasing By-law requires Council authorization to award a Request for Proposal (RFP) over \$500,000 or when the recommended proponent does not have the lowest cost. In this instance the Cole Engineering Group Ltd. cost is in excess of \$500,000 and it is also not the lowest cost.

3. BACKGROUND

Elgin Mills watermain to reinforce the Region's water supply system

The Pressure District (PD) 7 Elgin Mills Road Watermain was identified as a priority project in the York Region Long Term Water Supply Master Plan. The watermain is required to accommodate future growth and to reinforce the existing system in the Towns of Markham and Richmond Hill and to provide additional reinforcement to the Region's water supply system.

A Schedule "B" Class Environmental Assessment report for the Pressure District 7 Elgin Mills Road Watermain, Enford Road to Bayview Avenue in Richmond Hill was approved under provisions for the Environmental Assessment Act on July 1, 2005. The Region now intends to move forward with the Implementation Phase of the overall EA planning process for this Project.

The project will involve construction of a 1.5 km length of 600mm watermain mainly along the travelled eastbound portion of Elgin Mills Road to transmit water from the Richmond Hill pumping station to the PD7 area. The watermain will connect at the west end to an existing 600mm watermain at Enford Road and at the east end to an existing Regional 750mm main located at Bayview Avenue.

It is anticipated that detailed design will be completed by Q1 2011, tender by Q2 2011 and completion by Q2 2012.

4. ANALYSIS AND OPTIONS

Request for proposal (RFP) issued to three qualified consulting engineering firms

In accordance with the Purchasing By-law, a Request for Qualification (RFQ) for detailed design, contract administration and site inspection services for the PD 7 Elgin Mills Road Watermain, Enford Road to Bayview Avenue project was advertised in the *Daily Commercial News* and electronically on *Biddingo.com*.

Based on the information provided in the formal responses to the RFQ, the following three firms were invited to submit a proposal in response to a Request for Proposals.

1. Cole Engineering Group Ltd.
2. MMM Group Limited.
3. The Municipal Infrastructure Group Ltd.

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

- Project management, planning and control
- Addendum to the 2005 PD7 Elgin Mills Road Schedule “B” Class Environment Assessment Report
- Detailed design and tendering
- Procurement of approvals
- Construction contract administration and site inspection
- Quality assurance and quality control

Proposals were evaluated using 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 the financial information. Technical content was weighted at 80%.

Technical proposals were reviewed based on the following criteria:

- Corporate experience on similar projects
- Experience of key project staff
- Sub-consultants’ experience
- Understanding of the project approach and methodology
- Quality assurance and control process

The technical proposal must achieve a minimum technical score of 48 out of 80 to have the financial portion of the proposal considered.

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 Name	Technical Score (out of 80)	Upset Limit Cost	Financial Score (out of 20)	Total Score (out of 100)	Price Per Technical Point
Cole Engineering Group Ltd	56.1	\$759,838.90	19.2	75.3	\$13,544.37
MMM Group Limited	59.5	\$992,235.55	14.7	74.2	\$16,676.23
The Municipal Infrastructure Group Ltd	48.3	\$730,622.00	20.0	68.3	N/A

Evaluation of proposals resulted in Cole Engineering Group Ltd. achieving highest total score and lowest price per technical score

The firm with the highest total score is Cole Engineering Group Ltd. Given that the total score achieved by MMM Group Limited is within five (5) points of the highest total score, a “dollar cost methodology” calculation was completed, as required by the Purchasing By-Law. Results of this calculation, as shown in the last column of Table 1 above, determined that the proposal submitted by Cole Engineering Group Ltd. represents the best overall value to the Region.

5. FINANCIAL IMPLICATIONS

The upset limit fee for the proposed work is \$759,838.90 excluding GST. The 2010 capital program identifies a total budget for this project of \$3,358,000 with approved funding in 2010 of \$250,000. Sufficient funds are available in the 2010 budget for works anticipated to be completed this year.

This report requests Council approval for an additional \$4,005,000 funding for construction of this project in 2011 and 2012, increasing the Total Project Budget Authority for this project from \$3,358,000 to \$7,363,000. The revised budget reflects the recent project cost estimates based on recent tender prices and takes into account the required traffic management that was not part of the previous estimate prepared in 2005 when the EA was completed.

For this assignment the engineering fee is 11.5% of the construction cost estimate which is within the range for this type of project.

The upset limit fee includes for construction contract administration and site inspection for an estimated duration of construction of 180 working days (36 weeks). Based on the competitive prices within the financial proposal submitted by Cole Engineering Group, this equates to a prorated value of \$6,755.66 for each week of construction. This value will be used to calculate either the increase or decrease in the upset limit fee, as the case may be, to account for the actual duration of construction.

Should the actual duration of construction increase, as determined by the detailed design and specified in the tender documents, it is recommended that the Commissioner of Environmental services be authorized to adjust the upset limit fee accordingly by the amount of \$6,755.66 per week excluding GST.

6. LOCAL MUNICIPAL IMPACT

The PD 7 Elgin Mills Road watermain will provide adequate capacity for approved growth in the Towns of Markham and Richmond Hill as recommended in the Water and Wastewater Master Plan.

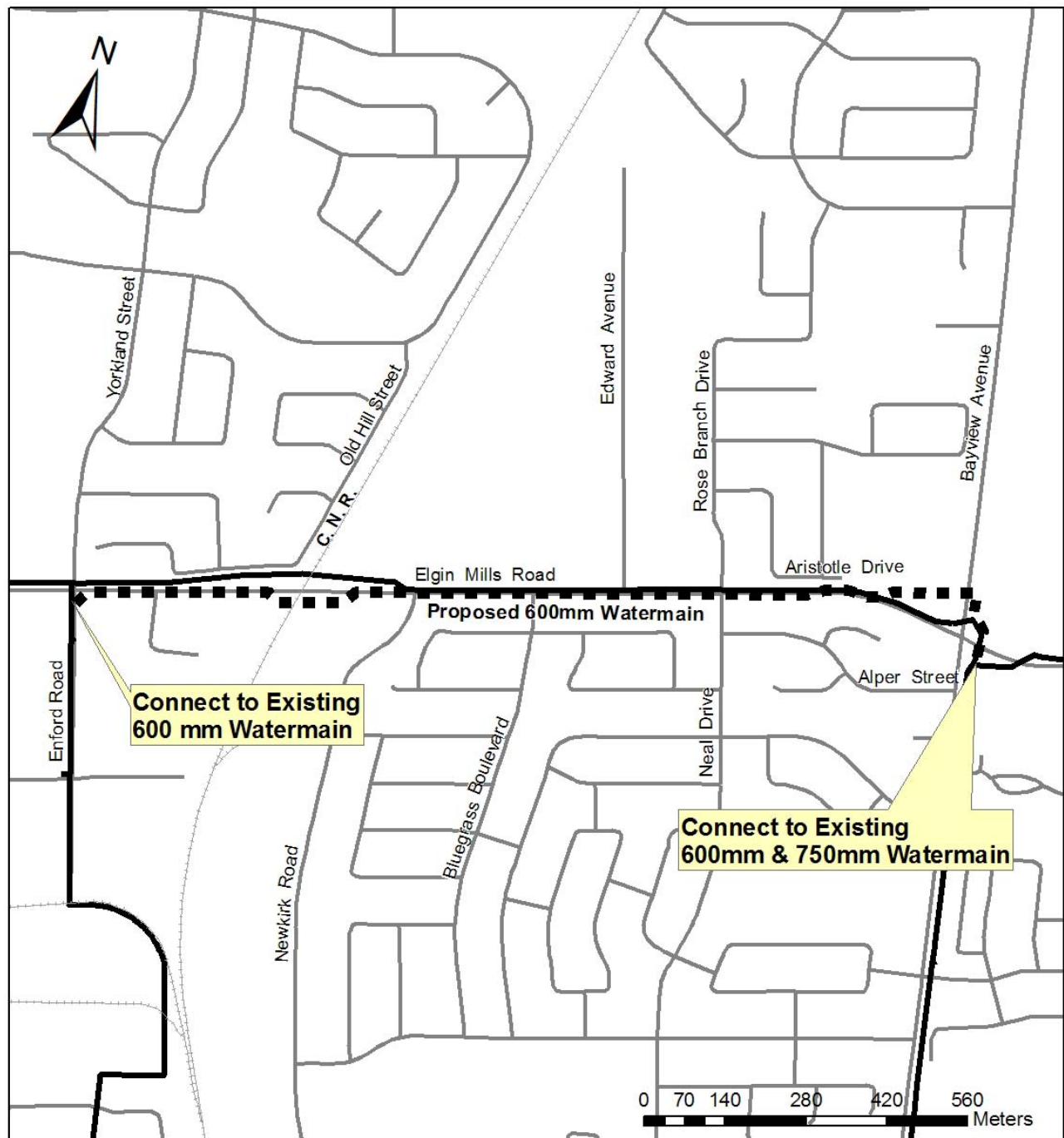
7. CONCLUSION

Three proposals for this project were evaluated in accordance with Regional procedures. It is recommended that Cole Engineering Group Ltd. be engaged to undertake the Detailed Design, Contract Administration and Site Inspection for the Pressure District 7 Elgin Mills Road Watermain at an upset limit cost of \$759,838.90 excluding 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 Detailed Design
and Contract Administration of the PD7 Elgin
Mills Watermain, Town of Richmond Hill –
Project 76120

Legend

- ■ ■ ■ ■ Proposed Watermain
- Existing Watermain



Environmental Services

eDOCS # 1730166