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CONSULTANT SELECTION FOR
CONTRACT ADMINISTRATION AND INSPECTION SERVICES
HIGHWAY 427 INTERIM ARTERIAL EXTENSION
CITY OF VAUGHAN, PROJECT NO. 81360
(REQUEST FOR PROPOSAL NO. P-07-21)

The Transportation and Works Committee recommends the adoption of the recommendations contained in the following report, May 23, 2007, from the General Manager, Roads:

1. RECOMMENDATIONS

It is recommended that:

1. The proposal of Morrison Hershfield Limited to undertake the contract administration and inspection services for the construction of the Highway 427 Interim Arterial Extension to Zenway Boulevard at a total upset limit fee of \$522,380 excluding GST, be accepted.
2. The Regional Chair and Regional Clerk be authorized to sign the necessary agreement, subject to review by Legal Services.

2. PURPOSE

The purpose of this report is to recommend retaining a consulting engineering firm to carry out the contract administration and inspection services required for the construction of the Highway 427 Interim Arterial Extension to Zenway Boulevard in the City of Vaughan. A location plan is appended to this report (*see Attachment 1*).

In compliance with the Region's Purchasing By-law, a report to Council is required prior to authorizing an award when a Request for Proposal (RFP) has been issued and the successful consultant's fee plus taxes is over \$500,000.

3. BACKGROUND

The approved 2007 10-Year Roads Construction Program scheduled the construction of a four-lane arterial road extension to the existing Highway 427 to connect to the new east-west local collector road Zenway Boulevard for the year 2007.

In 2001, The Regional Municipality of York together with the Region of Peel initiated a Boundary Area Transportation Study (BAT study) to address needs in the rapidly growing area bounded by Steeles Avenue to the south, Mayfield Road and Nashville

Road to the north, Airport Road to the west and Highway 27 to the east. The BAT study identified a long-term (2031) transportation plan as well as short-term road improvements needed to address the growing transportation demand in the study area.

The BAT study short-term road network was developed to address interim traffic demand prior to the ultimate extension of Highway 427 by the Ministry of Transportation. The key improvements included a proposed four-lane east-west collector road (Zenway Boulevard) north of Highway 7, connecting Highway 50 to Highway 27, and a proposed four-lane north-south arterial road from the existing terminus of Highway 427 to Zenway Boulevard.

These improvements, once implemented, will provide immediate relief to the traffic congestion at the intersection of Highway 50 and Highway 7 as well as to the northbound Highway 427 at the interchange with Highway 7 (the existing Highway 427 terminus).

The proposed Highway 427 arterial road extension to Zenway Boulevard will be a temporary road until Highway 427 is ultimately extended by the MTO, at which time, the road will be closed and there will be no direct access to the freeway from Zenway Boulevard.

In April 2006, Council approved recommendations on a cost sharing proposal and implementation strategy presented in a progress report prepared cooperatively by staff from the Transportation and Works Department and the Planning and Development Services Department. In May 2007, Council approved recommendations to proceed with the tender and construction of this project in 2007.

3.1 Contract Administration and Inspection Services

The contract administration and inspection services required under this assignment are for the construction of a four-lane divided arterial road extension from the existing terminus of the King's Highway 427 at Highway 7 (Y.R. 7) to the new east-west local collector road Zenway Boulevard.

The scope of the contract administration and inspection services will include:

- Provision of all staff, equipment and materials, additional office space, etc. to complete the contract administration and inspection work.
- Engineering materials laboratory and field testing services.
- Contractor quality control plan administration services.
- Contractor critical path schedule administration services.
- Environmental inspection and permit compliance confirmation services.
- Environmental monitoring.
- Preparation of all contract administration record documents.
- Quality control of contract administration and inspection services.

- Liaison and coordination with all stakeholders, including government agencies, utility companies, property owners, developers, etc.
- Representing York Region on matters related to contract administration and inspection of the work.

4. ANALYSIS AND OPTIONS

The design and construction of this project has two distinct sections: first, the construction of a new four-lane arterial road and the second, the provincial freeway work associated with connection of the arterial road to the freeway and providing a smooth freeway to arterial road transition treatment.

During the detailed design and contract preparation, Ministry of Transportation (MTO) staff advised, that for the freeway portion of the work, the contract must be administered by consultants who are registered with MTO's Registry, Appraisal and Qualifications System (RAQS) and have the necessary ability and capacity to carry out "Contract Administration – High Complexity" assignments for MTO.

In accordance with the Region's Purchasing By-law, interested firms as selected from Expression of Interest P-05-69 were invited to submit proposals for this assignment. MTO staff have been consulted by Region staff and have advised that the selected consultants are acceptable and have a solid performance record on contract administration assignments of this scope and magnitude. The selected firms were invited to submit a proposal for this assignment in accordance with Request for Proposal (RFP) P-07-21.

This report identifies the preferred consultant for this assignment and their respective upset limit fees.

Proposals were evaluated using a two-envelope system. This system requires the project proposal and the fee to be submitted in two separate envelopes. The technical proposal envelopes were opened first and evaluated using the following criteria:

- Management plan, including project team experience.
- Construction contract administration plan, including project understanding, staffing, inspection tasks and levels of effort.
- Contractor quality control administration plan, including a detailed description of how the consultant would ensure the contract requirements are being met.
- Contractor critical path schedule administration plan, including a detailed description of how the consultant would monitor and communicate the construction progress and manage deviations from the baseline.

The fee envelopes were then opened for the proposals meeting the technical requirements. The proposed fees were converted to a score and then weighted along with the technical criteria to determine an overall score.

The three firms invited to submit written proposals for this assignment were as follows:

- Highway Construction Inspection Ontario Inc.
- Morrison Hershfield Limited.
- URS Canada Inc.

Although all three firms originally confirmed their intention to submit a proposal, only one submission belonging to Morrison Hershfield Limited was received by the closing time.

4.1 Evaluation Summary

The proponents, their technical scores and proposed upset limit fees are tabulated below:

Table 1
Consultant Proposal Evaluation Summary

Firm	Technical Score (out of 80)	Upset Fee (Excluding GST)	Financial Score (out of 20)	Total Score (out of 100)
Morrison Hershfield Limited	57	\$522,380	20	77

As only one proposal from Morrison Hershfield was received for this assignment, Morrison Hershfield Limited has been allotted the maximum score for their financial proposal.

The proposal from Morrison Hershfield Limited received a respectable technical score and featured a good combination of project management, a designated contract administrator and technical staff with a firm corporate commitment of the necessary resources to complete this complex assignment. Their proposal presented a sound understanding of the unique project requirements, the sensitive environmental issues and the construction challenges of the work. In addition, their proposal elaborated on the significant involvement and communication that will be required with agencies and stakeholders, including MTO, the Toronto and Region Conservation Authority, ETR 407, area developers, etc., and elaborated on the need to not only meet but also exceed the environmental commitments of this project.

The hourly rates on this assignment are comparable with the hourly rates on Project 8182/9861 – Weston Road, Teston Road and Highway 400 Interchange, which is the only other current Region project similar in nature that requires strict adherence to MTO specifications and more stringent testing requirements for a large component of the work.

Furthermore, the allocated staff hours to the assignment are appropriate for the scope of the work.

The Supplies and Services Branch have reviewed the evaluation summary and have issued their internal report confirming that Morrison Hershfield Limited be recommended as the successful overall proponent for the contract administration and inspection services assignment under Request for Proposal P-07-21.

5. FINANCIAL IMPLICATIONS

The upset limit fee for the contract administration and inspection services is \$522,380 excluding GST. Funding for the project is included in the Region's approved 10-Year Roads Construction Program.

The total upset limit fee provides for provisional items such as additional inspection and administration for approved increases to project scope, provision of technical specialist support unanticipated at the time of tendering and extensions to the contract time which are not a result of the construction contractor's actions. This provisional work will only be authorized and paid if specifically required to complete the work, which is beyond the original scope of the assignment.

6. LOCAL MUNICIPAL IMPACT

This project is required to address the transportation needs and accommodate growth in the Region and the City of Vaughan. The project will address improving traffic safety and operations for the travelling public within the Regional and local road network.

City of Vaughan staff have been actively involved throughout the original transportation and Environmental Assessment studies for this project to address interim traffic demands in the growing area bounded by Steeles Avenue to the south, Mayfield Road and Nashville Road to the north, Airport Road to the west and Highway 27 to the east.

The City of Vaughan has assisted in discussion with the affected landowners to coordinate implementation of, and contribute funding towards the collector road network in the emerging employment area north of Highway 7.

The Highway 427 arterial road extension is critical to the success of the planned road network to improve traffic operations in the York-Peel Regional boundary area and provide the capacity needed to accommodate development in and around the study area during the interim period, prior to the ultimate Highway 427 extension by MTO.

7. CONCLUSION

Contract administration and inspection services are required to administer and manage the construction of the Highway 427 interim arterial extension. The assignment should be awarded in a timely manner so that this work can commence prior to tendering the contract for construction.

The proposal submitted by Morrison Hershfield was evaluated in accordance with Regional Purchasing By-law and it is recommended that the assignment be awarded to Morrison Hershfield Limited.

For more information on this report contact Dino Basso, Director Capital Delivery, Roads Branch at extension 5902 in the Transportation and Works Department.

The Senior Management Group has reviewed this report.

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