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**CONSULTANT SELECTION FOR CONTRACT ADMINISTRATION
AND SITE INSPECTION SERVICES FOR
QUEENSVILLE/HOLLAND LANDING/SHARON
WASTEWATER SERVICING AND SHARON TRUNK SEWER
PROJECTS 71220 & 75350**

The Environmental Services Committee recommends the adoption of the recommendations contained in the following report dated May 18, 2012, from the Commissioner of Environmental Services.

1. RECOMMENDATIONS

It is recommended that:

1. MMM Group Limited be engaged to undertake contract administration and site inspection services for the Queensville/Holland Landing/Sharon Wastewater Servicing and Sharon Trunk Sewer projects as outlined in this report, at a fee of \$4,882,829, excluding taxes.
2. The Commissioner of Environmental Services be authorized to adjust the contract administration and site inspection fees using the competitive unit price of \$9,775.21 per week, excluding taxes, once the updated construction duration is determined and specified in the tender documents, within the Total Project Budget Authority.

2. PURPOSE

This report seeks Council authorization to retain engineering services related to contract administration and site inspection services for the Queensville/Holland Landing/Sharon Wastewater Servicing and Sharon Trunk Sewer projects. A location plan is appended to this report (*see Attachment 1*).

The Region's Purchasing Bylaw requires Council authorization to award a Request for Proposal over \$500,000 or when the recommended proponent does not have the lowest cost. In this case, the recommended proponent is the only responsive bidder and their bid is greater than \$500,000.

3. BACKGROUND

Principles for two development charge credit agreements approved by Regional Council in September 2010 and June 2011

In order to proceed with the build-out of their subdivisions, a developer group having interests in the communities of Queensville, Holland Landing and Sharon have entered into a tri-party agreement with the Region and the Town of East Gwillimbury. The agreement advances construction of the Queensville/Holland Landing/Sharon York Durham Sewage System (YDSS) Connection through pre-payment of development charges. At the same time, the Sharon Developer Group party to this agreement had also requested that the Sharon Trunk Sewer be advanced through a similar method of pre-payment of sewage development charges.

On June 23, 2011, Council received Clause 2 of Report No. 6 of the Finance and Administration Committee outlining revised principles for the Queensville/Holland Landing/Sharon YDSS Connection. On September 23, 2010, Council received Clause 1 of Report No. 7 of the Finance and Administration Committee outlining the principles for the Sharon Trunk Sewer agreement. In the time since these agreement principles were approved, the Queensville/Holland Landing/Sharon YDSS Connection agreement has been executed and negotiations for the Sharon Trunk Sewer agreement are well underway.

Detailed design and tender preparation work has advanced to a stage where it is now appropriate to engage construction contract administration and site inspection services for the first phase of the sewage works

Detailed design and tender preparation for these sewage works are currently being carried out as part of a larger detailed design assignment for reconstruction and widening of 2nd Concession from Green Lane to Doane Road. This assignment was awarded to McCormick Rankin Corporation in accordance with the Region's Purchasing Bylaw in August 2011.

Contract administration and site inspection services will be needed to support two phases of construction work. The first phase will be for all construction work not within the 2nd Concession road allowance and the second phase will be for all construction work within the 2nd Concession road allowance. This phasing will ensure that phase one sewage works will not impede or negatively impact traffic on 2nd Concession prior to the closing of 2nd Concession for phase two road works.

Design activities of the overall sewage works have advanced to a stage where it is now appropriate to engage construction contract administration and site inspection services for the first phase of the construction works anticipated to start in August 2012.

The Ministry of Transportation announced opening of the Highway 404 extension has been delayed to the summer of 2014.

The Ministry of Transportation recently announced the opening of the Highway 404 extension has been delayed from the end of 2012 to summer of 2014. This delay may affect the start of the 2nd Concession widening project which in turn will affect phase two of the wastewater servicing project. The first phase of construction which is not associated with the road works on 2nd Concession will proceed as originally planned.

4. ANALYSIS AND OPTIONS

Request for Proposal P-12-61 issued to an open field of consulting firms closed on April 26, 2012

In response to the open call for Request for Proposal P-12-61, the following firm submitted a proposal:

- MMM Group Limited

Request for Proposal P-12-61 detailed the scope of work required, which included the following services:

- Project management, planning and control
- Construction contract administration and site inspection
- Commissioning
- Quality assurance and quality control

Proposal evaluated using the two-envelope system

The proposal was evaluated using the two-envelope system with technical and financial information submitted in two separate envelopes. The overall proposal score was evaluated based on a weighting of 80 points for the technical proposal and 20 points for the financial proposal. Technical proposal was evaluated prior to any knowledge of financial information.

The Region's proposal evaluation team reviewed the one technical proposal based on the following criteria as listed in Request for Proposal P-12-61:

Project Team Experience

- Stability and reputation with the Region and/or other clients
- Project Manager(s) and key staff experience
- Technical support staff experience
- Staff training

- Sub consultant's experience
- Other miscellaneous items

Project Implementation

- Completeness and comprehensiveness of the proposal
- Understanding of the project and services to be provided
- Viability of the approach methodology
- Understanding the deliverables to be provided
- Project management approach
- Implementation of QA/QC process and its deliverables
- Approach to Health and Safety
- Other miscellaneous items

Technical components of the proposal must achieve a minimum technical score of 60 per cent (48 points out of the potential 80 points) to have the financial portion of the proposal considered. If a proponent does not achieve this minimum technical score, their financial proposal is returned unopened. Technical and financial results are summarized in Table 1.

Table 1
Consultant Proposal Evaluation Summary

Consulting Firm	Technical Score (out of 80)	Total Fee (\$) (excluding taxes)	Financial Score (out of 20)	Total Score (out of 100)
MMM Group Limited	66	\$4,882,829	20	86

Evaluation of proposal submitted by MMM Group Limited revealed a high technical score

The high technical score by MMM Group Limited was attributed largely to the experience of the team and resources assembled for this project and the comprehensive scope of services for project management, contract administration, site inspection and quality assurance and control. Along with the experience that MMM Group Limited has with the planning and detailed design of this project, the proposal submitted by MMM Group Limited represents the best overall value to the Region.

It should be noted that 9 consulting firms picked up the Region's Request for Proposal documents for this assignment. Although MMM Group Limited was the only bid received, the competitive nature of the process was preserved as respondents would not have been aware that no other bids would be submitted. In addition, MMM Group Limited is the design consultant and efficiencies are realized with their submission as they have extensive background knowledge gained during the design phase. Furthermore,

staff has compared the costs associated with contract administration and site inspection on other similar recently awarded consultant assignments and determined the proposed costs for this project to be competitive.

Supplies and Services Branch has reviewed the evaluation summary and has issued their Preliminary Report confirming that MMM Group Limited be recommended as the successful overall proponent to undertake the consulting services related to contract administration and site inspection services for the Queensville/Holland Landing/Sharon Wastewater Servicing and Sharon Trunk Sewer projects.

Link to Key Council-approved Plans

Servicing of the Queensville, Holland Landing and Sharon communities is a critical component of the Region's wastewater infrastructure. The construction of three new pumping stations and associated linear works is a key project that aligns with the Region's 2011 to 2015 Strategic Planning objective of continuing to deliver and sustain critical infrastructure.

5. FINANCIAL IMPLICATIONS

The fee for the proposed scope of work is \$4,882,829 excluding taxes. The approved 2012 Capital Budget identifies a Total Project Budget Authority for these projects of \$120,689,000 funded through Prepaid Development Charge Credit Agreement.

This engineering assignment represents a portion of the engineering required for this project. The associated construction works includes three new sewage pumping stations and the linear works outside the 2nd Concession Road Widening project. The cost of this engineering assignment is approximately 6.5% of the construction cost estimate of \$74,600,000 which is within industry standards for contract administration and site inspection services.

Fees for the proposed work include contract administration and site inspection for estimated construction duration of 800 working days (160 weeks). Should the actual duration of construction go beyond the time specified in the tender documents, it is recommended that the Commissioner of Environmental Services be authorized to adjust the fee accordingly by the amount of \$9,775.21 per week, excluding taxes, for the additional contract administration and site inspection services required.

6. LOCAL MUNICIPAL IMPACT

This project will provide an efficient, secure and reliable wastewater system for the communities of Queensville, Holland Landing and Sharon. The Town of East

Gwillimbury will directly benefit from the new wastewater system which will allow for approved future growth in the municipality.

7. CONCLUSION

The consulting services for contract administration and site inspection detailed in this report are essential to complete the construction of the Queensville/Holland Landing/Sharon Wastewater Servicing and Sharon Trunk Sewer projects.

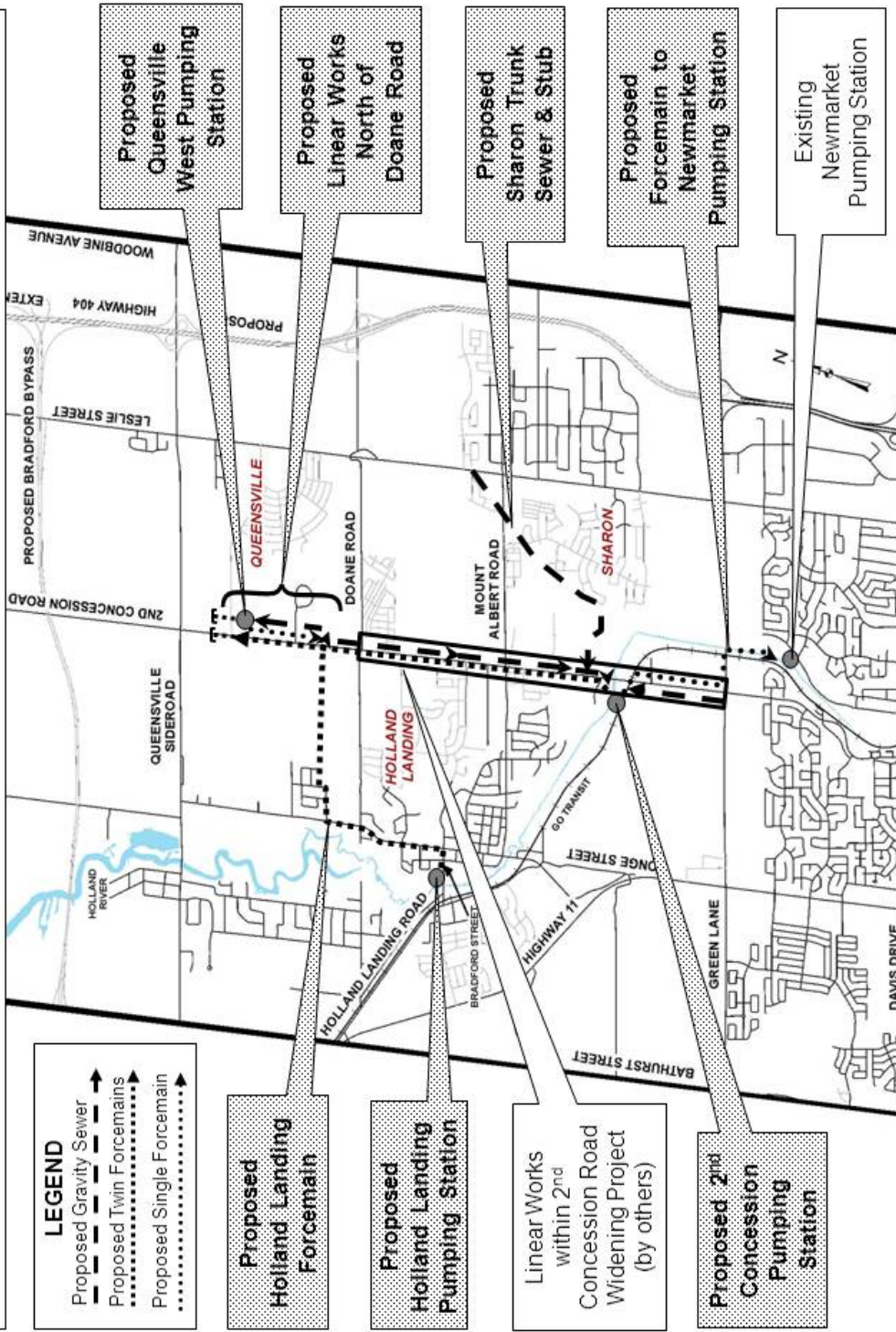
One proposal was received and evaluated for this project in accordance with the Region's Purchasing Bylaw. The proposal from MMM Group Limited represents good value to the Region and it is recommended that MMM Group Limited be engaged to undertake the contract administration and site inspection for the Queensville/Holland Landing/Sharon Wastewater Servicing and Sharon Trunk Sewer projects at a cost of \$4,882,829 excluding taxes.

For more information on this report, please contact Daniel Kostopoulos, Director, Capital Planning and Delivery, Environmental Services at 905-830-4444 Ext. 5070.

The Senior Management Group has reviewed this report.

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

QUEENSVILLE-HOLLAND-LANDING-SHARON WASTEWATER SERVICING CONSTRUCTION WORKS MAP



LOCATION PLAN

Consultant Selection for Contract Administration and Site Inspection Services for
Queensville/Holland Landing/Sharon Wastewater Servicing and Sharon Trunk Sewer
Projects 71220 and 75350

Environmental Services