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#### **CONSULTANT SELECTION FOR ENVIRONMENTAL ASSESSMENT, DETAILED DESIGN, CONTRACT ADMINISTRATION AND SITE INSPECTION SERVICES FOR NORTH DON SANITARY RELIEF SEWER PROJECT 75650**

**The Environmental Services Committee recommends the adoption of the recommendations contained in the following report dated August 24, 2012, from the Commissioner of Environmental Services.**

#### **1. RECOMMENDATIONS**

It is recommended that:

- a) MMM Group Limited be engaged to undertake an environmental assessment, detailed design, contract administration and site inspection services for the North Don Sanitary Relief Sewer project as outlined in this report, at a fee of \$981,965 excluding taxes.
- b) The approved 2012 spending authority for Project 75650 be increased from \$970,000 to \$1,951,965 excluding taxes.
- c) The Commissioner of Environmental Services be authorized to adjust the contract administration and site inspection fees using the competitive unit price of \$3,689 per week, excluding taxes, once the updated construction duration is determined and specified in the tender documents, within the spending authority.

#### **2. PURPOSE**

This report seeks Council authorization to retain engineering services related to an environmental assessment, detailed design, contract administration and site inspection services for the North Don Sanitary Relief Sewer project. 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 submitted the lowest cost; however, their bid is greater than \$500,000.

### **3. BACKGROUND**

#### **Feasibility study completed to determine alternate methods of servicing the North Don Sanitary drainage area**

The North Don Sanitary drainage area includes the southwest area of Richmond Hill as well as portions of Vaughan. Within Richmond Hill, the drainage area includes sections of the Yonge Street corridor between Major Mackenzie Drive and Carrville Road and the Hwy 7 corridor between Yonge Street and Bathurst Street (*see Attachment 1*).

As the North Don Sanitary Trunk Sewer is nearing capacity, continued development within this area of Richmond Hill is to be serviced through the Yonge Street sewer. This servicing however, will require the construction of additional local sewers as well as a local sewage pumping station.

From a maintenance, operation and life-cycle costing perspective, minimizing sewer infrastructure, especially pumping stations, is always desirable. As such, the Region engaged MMM Group Ltd. to complete a feasibility study to review alternatives to accommodate future servicing of the southwest area of Richmond Hill within the nearby North Don Sanitary Trunk Sewer that would not require a new local sewage pumping station. The feasibility study looked at cost, timing, and construction methods as well as the required Class Environmental Assessment Schedule.

#### **Feasibility study recommends construction of North Don Sanitary Relief Sewer**

The feasibility study focused on ways to develop capacity within the existing North Don Trunk Sanitary Sewer for re-allocation to the southwest area of Richmond Hill. Based on this strategy, various alternatives were evaluated for a relief sewer system to divert current flows within the existing North Don Trunk Sanitary Sewer to the adjacent Bathurst Street Collector Sanitary Sewer.

This new relief sewer system would divert all flow from north of Carrville Road to the Bathurst Collector Trunk Sewer and liberate downstream capacity in the existing North Don Trunk Sewer to service future developments south of Carrville Road in Richmond Hill and enable full build out of 3,207 units.

The proposed solution includes a gravity sewer, hereinafter referred to as the North Don Sanitary Relief Sewer, connecting to the existing North Don Sanitary Trunk Sewer at Carrville Road, running west approximately 500m to Bathurst Street and then south along Bathurst Street for approximately 900m to the Bathurst Street Collector. The alignment of the proposed sewer is shown on the location plan (*see Attachment 1*).

The proposed North Don Sanitary Relief Sewer will also provide some additional capacity that can be used by Markham and Vaughan. The necessary re-modelling of the York Durham Sewage System in this area with the proposed North Don Sanitary Relief

Sewer will be completed as part of the related Richmond Hill Centre/Langstaff Gateway Environmental Assessment study which is currently underway at a cost of \$970,000.

#### **4. ANALYSIS AND OPTIONS**

##### **Request for Proposal P-12-118 issued to four pre-qualified consulting firms closed on August 23, 2012**

In accordance with the Region's Purchasing Bylaw, Request for Qualification P-12-98 for engineering services for the North Don Sanitary Relief Sewer closed on July 26, 2012.

Based on the evaluation of the formal responses to Request for Qualification P-12-98, the following four consulting firms were invited to submit a proposal for Request for Proposal P-12-118.

- MMM Group Limited
- Hatch Mott MacDonald Ltd.
- AECOM Canada Ltd.
- GHD Inc.

Request for Proposal P-12-118 detailed the scope of work required, which included the following services:

- Project management, planning and control
- Schedule A+ Environmental Assessment
- Detailed design, approvals and tendering
- Construction contract administration and site inspection
- Commissioning
- Quality assurance and quality control

##### **Proposals evaluated using the two-envelope system**

Proposals were 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 proposals were evaluated prior to any knowledge of financial information.

The Region's proposal evaluation team reviewed the four technical proposals based on the following criteria as listed in Request for Proposal P-12-118:

##### **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<br>(out of 80) | Total Fee<br>(\$)<br>(excluding taxes) | Financial Score<br>(out of 20) | Total Score<br>(out of 100) |
|---------------------------|--------------------------------|----------------------------------------|--------------------------------|-----------------------------|
| MMM Group Limited         | 69.40                          | 981,965                                | 20.00                          | 89.40                       |
| AECOM Canada Ltd.         | 51.80                          | 1,021,484                              | 19.23                          | 71.03                       |
| Hatch Mott MacDonald Ltd. | 56.20                          | 1,866,330                              | 10.52                          | 66.72                       |
| GHD Inc.                  | 30.85                          | n/a*                                   | n/a*                           | 30.85*                      |

\* Financial proposal returned unopened

#### **Evaluation of proposals revealed MMM Group Limited achieved the highest total score**

The high technical score by MMM Group Limited was attributed largely to their extensive knowledge of the project, 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. The proposal submitted by MMM Group Limited represents the best overall value to the Region.

Supplies and Services Branch has reviewed the evaluation summary and has issued their internal report confirming that MMM Group Limited be recommended as the successful overall proponent to undertake the consulting services related to an environmental

assessment, detailed design, contract administration and site inspection services for the North Don Sanitary Relief Sewer project.

### **Link to Key Council-approved Plans**

Servicing of future development in Richmond Hill as well as portions of Markham and Vaughan is a critical component of the Region's wastewater infrastructure and implementation directly supports the Region's 2011 to 2015 Strategic Plan to focus growth along Regional centres and corridors.

The construction of North Don Sanitary Relief Sewer 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**

Given that servicing for this area of Richmond Hill was originally intended to be provided for within the Yonge Street Sewer of the York Durham Sewage System, this project is not identified in the 2009 Master Plan and subsequently not included in the 2012 Capital Budget. The proposed 2013 capital budget, however, includes \$17,209,000 in Capital Spending Authority for this project to be funded from debt to be repaid from development charges. The latest update of the Development Charges Bylaw also includes this amount.

The fee for the proposed work being approved by this report is \$981,965 excluding taxes. The approved 2012 10 Year Capital Program identifies spending authority for project 72230 – Joe Dales Forcemain and Pumping Station Upgrades funded from debt to be repaid from development charges. This project will be complete in 2012 with an under expenditure of approximately \$1,000,000 which is sufficient to offset the funding for the consultant assignment detailed in this report. The construction phase will then be funded from the identified project in the 2013 capital budget once approved.

The cost of this engineering assignment is approximately 6.2 per cent of the construction cost estimate of \$16,000,000, which is within industry standards for an environmental assessment, detailed design, contract administration and site inspection services.

Fees for the proposed work include contract administration and site inspection for an estimated duration of 200 working days (40 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 \$3,689 per week, excluding taxes, for the additional contract administration and site inspection services required.

## **6. LOCAL MUNICIPAL IMPACT**

This project will aid in maintaining an efficient, secure and reliable wastewater system for the Town of Richmond Hill as well as portions of Vaughan and will avoid delays in releasing capacity to allow for approved future growth in the municipality.

The construction works for this project will take place within Regional road ways and commuters in the area of Rutherford Road and Carrville Road in the Town of Richmond Hill and City of Vaughan will be affected by reduced lanes for the duration of construction.

## **7. CONCLUSION**

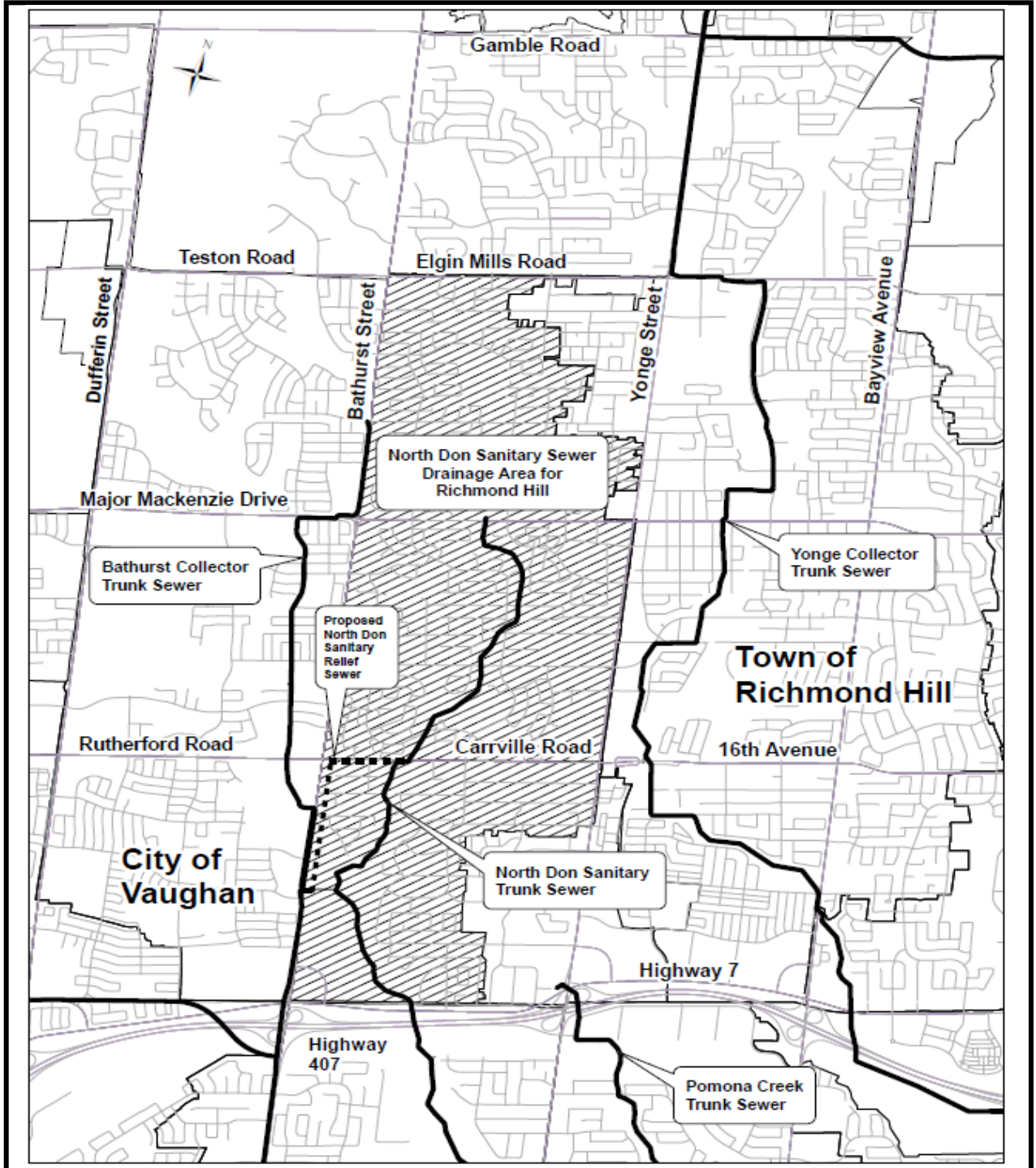
Consulting engineering services for an environmental assessment, detailed design, contract administration and site inspection detailed in this report are essential to complete construction of the North Don Sanitary Relief Sewer project.

Three proposals were received and evaluated for this project in accordance with the Region's Purchasing Bylaw. The proposal from MMM Group Limited represents the best overall value to the Region and it is recommended that MMM Group Limited be engaged to undertake the an environmental assessment, detailed design, contract administration and site inspection for the North Don Sanitary Relief Sewer project at a cost of \$981,965 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.)*



Consultant Selection for Environmental Assessment, Detailed Design, Contract Administration and Site Inspection Services for North Don Sanitary Relief Sewer - Project 75650



ENVIRONMENTAL SERVICES

York-# 4324338