

6

SUTTON WATER SERVICING - CONSULTANT SELECTION FOR ENGINEERING SERVICES PROJECT NUMBER 72200

The Environmental Services Committee recommends the adoption of the recommendations contained in the following report dated September 2, 2010, from the Commissioner of Environmental Services.

1. RECOMMENDATIONS

It is recommended that:

1. Cole Engineering Group Ltd. be engaged to undertake the Class Environmental Assessment, detailed design, contract administration and site inspection for the Sutton Water Servicing Project, as outlined in this report, at an upset limit fee of \$1,298,310.90, excluding taxes. The upset limit fee includes:
 - a. \$800,923.90, excluding taxes, to carry out class Environmental Assessment, detailed design, project management, allowances and provisional activities, excluding construction contract administration and site inspection services.
 - b. \$497,387.00, excluding taxes, for construction contract administration and site inspection services, based on 738 days construction duration estimated by Cole Engineering Group Ltd.
2. The Commissioner of Environmental Services be authorized to adjust the original engineering fee for construction contract administration and site inspection to match the updated construction schedule, which is to be determined on the completion of detailed design and tender packages preparation.

2. PURPOSE

This report seeks Council authorization to retain engineering consultant services related to the Class Environmental Assessment, detailed design, contract administration and site inspection for expanding the existing 400mm Concrete Pressure Pipe watermain service and constructing the second water storage tank to meet the increased future demands in the Sutton Community with a forecast population growth from approximately 4,300 to approximately 13,500 people by 2031. 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 over \$500,000 or when the recommended proponent does not have the lowest

cost. The price of the proposal received from Cole Engineering Ltd., is greater than \$500,000 and therefore Council authorization is required.

3. BACKGROUND

Project need identified the 2009 Master Plan Update

Sutton watermain expansion is one of the strategic water projects identified as a need to accommodate expected growth in the near term. The project need is identified in the York Region 2009 Water and Wastewater Master Plan Update.

Expansion of 400mm watermain and construction of a second elevated water storage facility are required to extend the existing watermain distribution system to provide sufficient water services and water storage capacity in support of the future growth for the Sutton Community. The current York Region Water System provides water servicing to the communities of Sutton and Keswick and consists of two Water Treatment Plants namely, Keswick Water Treatment Plant and Georgina Water Treatment Plant. Their current combined water capacity is 31 MLD (million litres per day). There are upgrade projects (under separate assignments) for increasing the current combined capacity to 46 MLD. The current Sutton water distribution system and water storage capacity needs to be expanded to accommodate the future combined capacity of 46 MLD. Presently, Sutton community's water is supplied by Georgina Water Treatment Plant and serviced by Sutton Water Elevated Tank No. 1 with 2.7 ML (million litres) storage capacity.

4. ANALYSIS AND OPTIONS

Six engineering consulting firms responded to the Request for Proposal

In accordance with the Region's Purchasing By-law, request for proposal documents were issued by the Supplies and Services Branch. The request for proposal was advertised in the Daily Commercial News and electronically on Biddingo.com. Sixteen vendors received the request for proposal documents and the following six engineering consulting firms submitted proposals for this assignment.

- Cole Engineering Group Ltd.
- The Municipal Infrastructure Group Ltd.
- GHD Inc.
- GENIVAR Consultants LP
- AECOM Canada Ltd.
- Stantec Consulting Ltd.

The request for proposal detailed the scope of work required, which included the following services:

- Project management
- Environmental assessment
- Detailed design
- Procurement of approvals
- Tender and award
- Construction contract administration, including site inspection
- 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/Management Proposal and 20 points for the Financial Proposal. Technical/Management Proposals were evaluated prior to any knowledge of financial information.

The Region's proposal evaluation team reviewed the Technical/Management Proposals based on the following criteria as listed in the request for proposal:

- Project understanding and ability to deliver the project
- Corporate experience and engineering experience of the firm for similar projects
- Project manager and proposed key staff experience for similar projects
- Proposed technical support staff experience for similar project
- Sub-consultants' experience
- Project management, implementation and in-house resources

To be considered for award, Proponents must achieve a minimum technical score of 48 points out of 80 (60%) to have the financial portion of the Proposals opened. If a Proponent does not achieve this minimum technical score, its Financial Proposal will be returned unopened. Three Proponents (GENIVAR, AECOM and Stantec) did not achieve the minimum technical score of 48 points and therefore their unopened Financial Proposals were returned to the Proponents. Technical and financial results for each Proponent are summarized in Table 1.

Table 1
Consultant Proposal Evaluation Summary

Consultant	Technical Score (Out of 80)	Financial Score (Out of 20)	Total Score	Total Fee (Excluding HST)
Cole Engineering Group Ltd.	61.60	20.00	81.60	\$1,298,310.90
The Municipal Infrastructure Group Ltd.	63.20	14.30	77.50	\$1,816,696.00
GHD Inc.	59.00	14.30	73.30	\$1,819,539.00
GENIVAR	44.80	N/A	N/A	N/A
AECOM Canada Ltd.	43.70	N/A	N/A	N/A
Stantec Consulting	39.20	N/A	N/A	N/A

Evaluation summary revealed Cole Engineering Group Ltd. as highest ranked Proponent

In accordance with the Terms of Reference in the request for proposal, the assignment is to be awarded to the proponent with the highest Total Score. In this evaluation, the Proponent who achieved the highest Total Score (81.60) and has the lowest cost is Cole Engineering Group Ltd. Their proposal represents the best overall value to the Region for this work.

Supplies and Services Branch has reviewed the evaluation summary and has issued their internal report confirming that Cole Engineering Group Ltd. be recommended as the successful overall Proponent to undertake the Engineering Services for the Sutton Water Servicing project under request for proposal No. P-10-75.

5. FINANCIAL IMPLICATIONS

The upset limit cost included in the highest ranked proposal is \$1,298,310.90 excluding taxes. The proposed 2011- 10 Year Capital Plan includes a total project budget of \$16.9 million for this Project. For this assignment, the engineering fee, including project management, environmental assessment, detailed design, allowances, provisional activities, procurement of approvals, tender packages, contract administration and site inspection is 9.83% of the construction cost estimated by internal staff, which is within the price range for this type of infrastructure project.

Based on the proposal submitted by the Cole Engineering Group Ltd., the estimated total duration and costs for work related to construction contract administration, including site inspection services are 5,906 hours (or 738 working days based on 8 hours per day) and \$497,387 task costs, respectively, which is included in their Financial Proposal. In the

construction contract, administration costs are approximately \$674 per working day, which is competitive for this type of infrastructure project.

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 with 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

Expanding the watermain distribution system and increasing the current storage capacity for Sutton Water Servicing will meet future water consumption demands for the Sutton Community.

Expanding the Sutton water distribution system and storage capacity will ensure that the extended water system will meet the future combined flows of 46.0 MLD and the additional storage facility will ensure water storage demand is met as per the Ministry of Environment and the local fire department's requirements and guidelines.

Throughout the course of the project, Regional staff will work closely with Town of Georgina staff and stakeholders in developing and implementing the preferred water servicing solution.

7. CONCLUSION

Implementation of the Sutton Water Servicing Project will ensure continued and sustainable water servicing and provide additional water storage capacity to meet increased demands to support future growth for the Sutton Community.

Proposals submitted by the six proponents were evaluated in accordance with the Region's Purchasing By-law. The proposal from Cole Engineering Group Ltd. represents the best overall value to the Region and it is recommended that this assignment be awarded to Cole Engineering Group Ltd. at the upset limit cost of \$1,298,310.90, excluding taxes.

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.)

