

STAFF REPORT: ENGINEERING AND PUBLIC WORKS DEPARTMENT

REPORT TO: **Committee of the Whole**
MEETING DATE: **April 7th 2014**
REPORT NO.: **EPW.14.023**
SUBJECT: **Award of Engineering Services
for Mill Street Reconstruction
Phase 2, RFP 2014-06-P-EPW**

PREPARED BY: **Mike Campbell, Construction
Coordinator, on behalf of the
Tender Proposal Award
Committee (TPAC)**

A. Recommendations

THAT Council receive Report EPW.14.023 entitled Award of Engineering Services for Mill Street Reconstruction Phase 2, RFP 2014-06-P-EPW;

AND THAT Council approve increasing the capital budget for the Mill Street Reconstruction Project Phase 2 from \$610,500 by \$62,500 to \$673,000;

AND THAT Council approve the award of the Engineering Services for Mill Street Reconstruction Phase 2, RFP 2014-06-P-EPW to C.C. Tatham and Associates, in the amount of \$97,885 consisting of \$94,885 upset fee estimate plus \$3000 fee contingency, excluding HST;

AND THAT the Director of Engineering and Public Works and Manager of Purchasing be authorized to execute the Engineering Services Agreement Documents for RFP 2014-06-P-EPW.

B. Background

Mill Street is located between King Street East (Highway 26) running north through the Georgian Trail and Bay Street East to Cottage Avenue. In 2010 the Town engaged C. C. Tatham & Associates Ltd. (CCTA) to complete a preliminary design report for Mill Street Improvements to provide conceptual design level of detail between King Street East and Bay Street East. In 2011 CCTA produced a detailed design for the Phase 1 of Mill Street and the Town reconstructed the section between Highway 26 and the Georgian Trail in conjunction with the New Town Hall project.

The current assignment, referenced as Phase 2, will see approximately 150m of Mill Street reconstructed between the Georgian Trail and Bay Street East. The preliminary design report describes the existing conditions as well as the reconstruction considerations. Refer to Figure 1.



Figure 1
Mill Street Location Map

The construction is to include, but is not limited to:

- Relocation of the existing utilities as required;
- Replacement of municipal water services (based on recommendation);
- Relining sanitary sewer (based on recommendation);
- Installation of storm system;
- Replacement of retaining wall as dictated by assessment;
- Clear, Grub and Re-grading lands east of ROW
- Reconstruct road to current Town urban standard

Scope of Work:

This engineering assignment will include, but will not be limited to, the following major tasks:

- Task 1: Background Information
- Task 2: Final Design and Tender/Contract Documents
- Task 3: Tender Administration
- Task 4: Contract Administration
- Task 5: Construction Monitoring
- Task 6: Record Drawings and Documentation
- Task 7: Warranty Administration

Consultant Selection:

The Town prepared a Request for Proposal and issued it on February 12, 2014. The Consultant selection was a single step process. Proposals consisting of the proposal and upset cost estimates were received from 3 consultants in separate sealed envelopes.

The Consultant Selection Team, consisting of Director of Engineering and Public Works Reg Russwurm, Manager of Water and Wastewater John Caswell, Engineering Design Technologist Mike Humphries, Manager of Purchasing & Risk Management Serena Wilgress and the project manager for this work Construction Coordinator Mike Campbell. The selection team satisfied themselves that the 3 proposals evaluated were complete.

Consultants were evaluated based on the following weighted evaluation factors:

Quality Factors

Firm's Qualifications and Experience on Similar Assignments	10%
Project Team's Experience	20%
Project Understanding and Approach	15%
Work Plan, Methodology, Communication and Quality Assurance Plan	20%
Project Schedule	10%

Fee Factor 25%

Total **100%**

The Consultant achieving the highest combined weighted quality and fee factors was C.C. Tatham & Associates; however their proposed fees of \$94,885 are higher than the expected engineering expenditure of \$65,400 as outlined in the approved capital budget. None of the submitted bids were less than the approved budget. A consideration of the received fees versus the proposed engineering budget within the over project is thus warranted. The reason is a combination of factors.

1. Engineering Staff have starting specifying the cost of specialist services be carried in the Consultant's scope of work instead of separately under contracted services (the construction budget line). The relevant services for this project are geotechnical, legal, arboreal and sub-surface investigation of sewer and utility locations. The expected cost for these services is \$29,595. In prior projects, these services were either paid separately by the Town resulting in project cost management and scheduling challenges, or if not done, construction cost extras due to unknown information. Due to an oversight, the Mill Street Reconstruction Project was not revised in the last budget cycle to reflect this change in project management philosophy.
2. Engineering Staff have identified an opportunity to fill a depression on adjacent Town Land with excess soils and fill from this project to both lower the construction cost and to improve the Town Lands. The depression area is identified on Figure 1.

The consultant needs to survey the additional lands, consider the fill opportunity, and coordinate with other Town Staff and the adjacent land owner.

3. Engineering Staff have underestimated that cost of the consulting services. The results of this assignment will improve the estimating of consulting services on future projects.

Engineering Staff have re-visited the overall project budget based on the results of this proposal call and the expected scope of construction work. The anticipated project costs may be around \$673,000. Although the project cost is expected to exceed the current approved budget of \$610,500, this is still a conceptual estimate. An engineer's estimate will be available once the final design has matured. Prior to issuing the tender, if the engineer's estimate well exceeds the current budget, a Staff Report will be prepared for Council's consideration to increase the overall project budget and moreover its constituent portions from development charge reserves, taxation, water user rate, and wastewater user rate.

Staff recommend Council;

- i. approve increasing the capital budget for the Mill Street Reconstruction Project Phase 2 from \$610,500 by \$62,500 to \$673,000 to reflect the change in knowledge in the current construction cost;
- ii. approve the award of the Engineering Services for Mill Street Reconstruction Phase 2, RFP 2014-06-P-EPW to C.C. Tatham and Associates, being the consultant receiving the highest combined weighted quality and fee factors, in the amount of \$97,885 consisting of \$94,885 upset fee estimate plus \$3000 fee contingency, excluding HST; and,
- iii. approve the Director of Engineering and Public Works and Manager of Purchasing be authorized to execute the Engineering Services Agreement Documents for RFP 2014-06-P-EPW.

C. The Blue Mountains' Strategic Plan

These works address the Town's Strategic Plan Goal No. 2 "Addressing the Town's municipal infrastructure needs".

D. Environmental Impacts

Greenhouse gasses will be generated as part of the construction activities.

E. Financial Impact

The 2014 Capital Budget estimates \$65,400 for engineering services on a \$610,500 budget. Based on this recommended award for the engineering services, this budget is anticipated to increase up to \$675,000.

Mill Street	2014 Budget	Interim Revised Budget
Project Costs:		
Engineering	\$ 65,400	\$ 97,885
Construction	\$ 545,100	\$ 575,115
Total Cost	\$ 610,500	\$ 673,000
Funding		
Local service (previously collected)	\$ 70,000	\$ 70,000
User Fees - Wastewater	\$ 75,800	\$ 75,800
Taxes	\$ 68,770	\$ 68,770
Development Charges	\$ 395,930	\$ 419,726
Funds required	\$ 610,500	\$ 634,296
Shortfall in funding		\$ 38,704
User Fees - Wastewater		\$ 20,293
Taxes		\$ 18,411

A revised project budget will be presented to Council for approval prior to tender issuance once an engineer's estimate is available if their estimate well exceeds the project budget.

F. In Consultation With

Sam Dinsmore, Financial Analyst

G. Attached

None

Respectfully submitted,

Mike Campbell

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Tender Proposal Award Committee

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