

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 20, 2015

Item 6, Report No. 2, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on January 20, 2015.

6 SELECTION OF CONSULTANT SERVICES FOR GEOTECHNICAL INVESTIGATION, MATERIAL TESTING AND QUALITY ASSURANCE

**RFP14-374
ALL WARDS**

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Commissioner of Public Works and the Director of Capital Delivery and Asset Management, dated January 13, 2015:

Recommendation

The Commissioner of Public Works and the Director of Capital Delivery and Asset Management, in consultation with the Director of Purchasing Services and the Director of Financial Planning & Analytics recommend:

1. That LVM, a division of EnGlobe Corp. (LVM), be retained to provide consultant services for geotechnical investigation, material testing and quality assurance (RFP14-374) in the amount of \$460,100.00, plus applicable taxes for a period of one year with an option to extend the contract for two additional one year terms;
2. That the base contract term is from January 1, 2015 to December 31, 2015, and contract prices will be adjusted based on the Consumer Price Index for the optional years (2016 and 2017) of the contract, if the optional years are exercised;
3. That a 15% contingency allowance plus H.S.T for each year, be approved within which the Commissioner of Public Works or his designate is authorized to approve amendments to the contract;
4. That the amounts of the above recommendations, illustrated within this report, be funded from the associated capital accounts, including all contingency allowances, and applicable taxes; and
5. That the Mayor and City Clerk be authorized to sign the contract document.

Contribution to Sustainability

An integral part of a sustainable city is effective asset management. Through infrastructure investments, the risk of failure is reduced and system reliability improved, providing optimal service to citizens. The proposed geotechnical investigation improves scope definition on infrastructure projects, whereas material testing and quality assurance is an essential component of quality control during construction. The proposed infrastructure projects will maximize the return on the City's capital and operating investments.

Economic Impact

The total cost of \$554,600.00 for the first term of the assignment, which includes a contingency allowance, administration recovery and applicable taxes, will be allocated to associated capital projects as expenses are incurred. Funding for this activity has been incorporated within these project budgets and therefore there is no additional economic impact associated with this contract.

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As per the RFP, the unit prices bid by LVM will remain valid until December 31, 2015. Unit prices for the optional two extension years will be adjusted in accordance with the annual rate change in the Consumer Price Index (CPI), Ontario, using the month of October as the adjustment month. Any adjustments shall have a ceiling of 5%.

Communications Plan

Not applicable at this time.

Purpose

To obtain approval to retain LVM for geotechnical investigations during the design of and for material testing and quality assurance during construction of capital projects, as detailed in the Terms of Reference of RFP14-374.

Background - Analysis and Options

The Capital Delivery & Asset Management Department initiated a request for proposal for professional services for geotechnical investigation and material testing to improve overall delivery of infrastructure projects

A core activity of the Capital Delivery & Asset Management Department (formerly Engineering Services) is the design and contract administration of infrastructure projects. Preliminary engineering, detail design and construction are the typical stages that a project follows. Geotechnical investigations undertaken during the preliminary engineering stage help mitigate the risk of potential design issues and assist in reducing additional costs during the overall project lifecycle.

During the construction stage, material testing and quality assurance services are part of quality control measures that ensure that the construction contractor's work meets the City's standards and specifications and that they fulfill their contractual obligations.

Geotechnical investigations, material testing and quality assurance services are routinely requested on an as-needed basis. In an effort to improve efficiencies, streamline processes, and reduce risks on infrastructure projects, an RFP for a geotechnical consultant on retainer was created.

The Capital Planning & Asset Management Department with facilitation provided by Purchasing Services, completed an evaluation of the RFP's received and provided a recommendation for the successful geotechnical consultant

In response to the RFP issued on November 11, 2014, proposal submissions were received on November 26, 2014, from the following consultants:

1. Golder Associates Ltd.
2. DBA Engineering Ltd.
3. WSP Canada Inc.
4. Frontop Engineering Ltd.
5. LVM, a division of EnGlobe Corp.
6. SPL Consultants Ltd

An evaluation meeting was held on December 8, 2014, with the review committee comprising of representatives from the Capital Planning & Asset Management Department and facilitated by Purchasing Services.

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A two envelope scoring and ranking system was used for the proposal as follows:

Envelope 1 - Stage 1 – Technical Evaluation: 75 Points
Envelope 2 - Stage 2 – Cost Evaluation: 25 Points

Proposal submissions obtaining a score of 55 or more (out of 75) under Stage 1-Technical Evaluations were short-listed for consideration under Stage 2 - Cost Evaluation.

The scoring a ranking system used for Stage 1 – Technical Evaluations included:

- Stability of the Proponent
- Experience and Qualifications
- Project Team
- Scope of Services and Work Plan

LVM scored the highest number of points during the overall evaluation process (Stage 1 and 2) and is in compliance with the mandatory technical requirements. Based on the evaluation of the proposals, it is recommended that the proposal from LVM be accepted and that an Engineering Agreement be executed.

The total estimated cost for the consultant services for geotechnical investigation, material testing and quality assurance, including contingency allowance, applicable taxes and administration recovery is calculated as follows:

LVM fee (excl. H.S.T.)	\$ 460,100.00
Contingency Allowance (approx.15%)	\$ 69,000.00
Sub-Total	\$ 529,100.00
H.S.T. (1.76%) Not recoverable	\$ 9,312.16
Total	\$ 538,412.16
Administration Recovery (3%)	\$ 16,152.36
Net Total Cost	\$ 554,564.52

Note: No budget is indicated as this cost will be accommodated within the associated capital project budgets.

ROUNDED \$554,600.00

In addition to the planned and approved capital projects, past experience has shown that unexpected and emergency projects have come about from within and outside the department that require the services of a geotechnical consultant. As a result, this unknown has and is expected to have a greater impact on the required contingency.

The assignment has multiple aspects with varying levels of difficulty over a potential three year period. In accordance with the Contingency Matrix (identified in Appendix 1 of the Capital Project Finance Administration and Reporting Policy), a contingency allowance of 15% has been identified as an appropriate amount to address any unforeseen work in completing the scope of this project.

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Relationship to Vaughan Vision 2020/Strategic Plan

In consideration of the strategic priorities related to Vaughan Vision 2020, the recommendations of this report will assist in enhancing and maintaining community safety, health and wellness, by ensuring that the City's infrastructure provides appropriate levels of service to its citizens.

Regional Implications

Not Applicable.

Conclusion

It is recommended that the consultant services for geotechnical investigation, material testing and quality assurance assignment (RFP14-374) be awarded to LVM in the amount of \$460,100.00, plus applicable taxes.

Attachments

Not Applicable.

Report prepared by:

Frank Facchini, P. Eng., Project Manager, ext. 8986
Paolo Masaro, P. Eng., Manager (Acting), Design Services, ext. 8446

COMMITTEE OF THE WHOLE - JANUARY 13, 2015

SELECTION OF CONSULTANT SERVICES FOR GEOTECHNICAL INVESTIGATION, MATERIAL TESTING AND QUALITY ASSURANCE RFP14-374 ALL WARDS

Recommendation

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Frank Facchini, P. Eng., Project Manager, ext. 8986
Paolo Masaro, P. Eng., Manager (Acting), Design Services, ext. 8446

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Paul Jankowski
Commissioner of Public Works

Jack Graziosi
Director of Capital Delivery
And Asset Management

PM:mc