



memorandum

DATE: June 13, 2014

TO: Mayor and Members of Council

RE: **COMMITTEE OF THE WHOLE – June 17, 2014**
REPORT 30, ITEM 33
SELECTION OF ENGINEERING CONSULTANT
FOR CONTRACT ADMINISTRATION AND INSPECTION
FOR THE VAUGHAN HEALTHCARE PRECINCT
RFP14-071
WARD 1

c <u>2</u>
Communication
cw: <u>June 17/14</u>
Item: <u>33</u>

Recommendation

The Commissioner of Engineering and Public Works and the Director of Engineering Services, in consultation with the Commissioner of Finance and City Treasurer and the Director of Purchasing recommend:

1. That subsequent to the execution of the City's Memorandum of Understanding with Mackenzie Health, as directed by Council at its meeting of May 6, 2014, Request for Proposal RFP14-071 Selection of Engineering Consultant for Contract Administration and Inspection Services for the Vaughan Healthcare Centre Precinct in the City of Vaughan be awarded to Cole Engineering Group Ltd. in the total amount of \$531,115.00.00, plus applicable taxes and administration recovery for Part A \$253,558.00 and B \$277,557.00;
2. That the following project cost, plus applicable taxes, be approved:
 - a) An equal proportion of the contingency allowance for Part A and B in the total amount of \$80,000.00, plus applicable taxes and administration recovery be approved within which the Commissioner of Engineering and Public Works, or his designate is authorized to approve amendments to this contract;
 - b) That funding in the sum of \$531,115.00, including all contingency allowance, applicable taxes and administration recovery be approved from Capital Project No. CO-0054-09; and
 - c) That Part B in the amount of \$253,558.00 and fifty percent of the contingency plus applicable taxes and administration recovery of this assignment only be carried out on condition that the servicing associated with the Vaughan Healthcare Centre Precinct proceeds to construction.
3. That the Mayor and City Clerk be authorized to sign the appropriate documents.

Contribution to Sustainability

Not Applicable.

Economic Impact

Funding for RFP14-071 Selection of Engineering Consultant for Contract Administration and Inspection Services for the Vaughan Healthcare Centre Precinct in the amount of \$641,000.00, which includes a contingency allowance, administration recovery and applicable taxes for the Vaughan Healthcare Centre

Precinct, is available within the approved Capital Project CO-0054-09 – Vaughan Hospital Precinct Development.

Part A of the assignment represents the contract administration and inspection services associated with Tender T14-072, which involves the three distinct components, Major Mackenzie Drive intersection and associated road works, the Precinct earthworks and grading, and the Major Mackenzie Drive culvert works. Part B of the assignment represents the contract administration and inspection services for a planned servicing contract, to be tendered in September 2014.

Staff have recommended that, as part of Tender No. T14-072 (Report 30, Item 34 June 17 Committee of the Whole), the culvert work needed on Major Mackenzie Drive be funded from the City's Wastewater Reserve. However, the analysis of the allocation of hours in RFP14-071 identified that only five percent of the value of Part A is allocated toward the contract administration and inspection for the culvert construction. This is likely due to the slow rate of production associated with jack-and-bore construction. In view of the above, staff finds it appropriate that the assignment be funded from CO-0054-09 in its entirety.

As previously reported to Council, discussions are ongoing with Mackenzie Health (MH) regarding the apportionment of capital costs for the development of the land to form the basis of a Cost-Sharing Agreement to be executed in parallel with the proposed Ground Lease Agreement. The City has proceeded with the detailed design of the required infrastructure in order to meet the Hospital development timeline requirements with the potential of future proportionate cost-recovery from MH.

Communications Plan

Once the project is awarded, staff will advise the Mayor and Members of Council.

Purpose

To obtain Council approval to retain Cole Engineering Group Ltd. to provide Contract Administration and Inspection Services for the Vaughan Healthcare Centre Precinct (RFP14-071).

Background - Analysis and Options

Request for Proposal 14-072 - Project Consulting Services closed on April 9, 2014

There are various components being carried out concurrently as a part of the development of the Vaughan Healthcare Centre, in addition to the detailed design, which requires on-going coordination with all parties and agencies involved. Procurement of contract administration and inspection services for the Vaughan Healthcare Centre Precinct is recommended in order to minimize risks, ensure proper management of resources and costs in adhering to the aggressive timelines in accordance with the City's, Region of York, Cedar Fair, and Ministry of Transportation requirements. The assignment is scheduled to commence immediately after award, with an anticipated completion date of September, 2015, consistent with Mackenzie Health's schedule for construction of the hospital.

The assignment is separated into Part A for the Contract Administration and Inspection for the first stage of infrastructure work (Contract 1) as part of Tender T14-072 - Site Pre-grading/Major Mackenzie Drive Improvements; and Part B, the Contract Administration and Inspection services associated with internal servicing that will be tendered in Fall 2014.

The RFP was advertised on the City Page, Biddingo and Ontario Public Buyers Association (OPBA) website on May 29, 2014. In response to the RFP, three (3) RFP packages were picked up from the Purchasing Services Department. Upon closing on June 5, 2014, one (1) proposal submission was received from Cole Engineering Group Ltd.

An evaluation meeting was held on June 11, 2014, comprising of representatives from Engineering Services and the Building and Facilities Department facilitated by Purchasing Services to review and evaluate the submitted proposals.

The proposal was evaluated using the following criteria:

Assignment Understanding/ Approach and Work Plan	(25%)
Clearly Identified Qualifications and Experience of Project Team	(20%)
Construction Change Order Management Control	(10%)
Anticipated Conflicts and Problems	(5%)
Overall Proposal Quality	(10%)
Proposed Fee	(30%)

A minimum technical score of 70 was stipulated in the RFP document as a threshold, in order to be able to advance and have the proposed fee evaluated.

Cole received a score that met or exceeded the 70 points stipulated in the RFP document. Based on the evaluation of the proposals, it is recommended that the proposal from Cole Engineering Group Limited be accepted for award.

The total cost for professional engineering services for this project, including contingency allowance, applicable taxes and administration recovery is calculated as follows:

Cole Engineering Group Limited	Part A	\$253,558.00
	Part B	\$277,557.00
	Sub-Total	\$531,115.00
Contingency Allowance (approximately 15%)		\$ 80,000.00
Sub-Total		\$ 611,115.00
H.S.T. (1.76%) (not recoverable)		\$ 10,755.62
Total		\$ 621,870.62
Administration Recovery (3%)		\$ 18,656.12
Net Total Cost		\$ 640,526.74

ROUNDED \$641,000.00

As a result of the various components being carried out concurrently as a part of the development of the Vaughan Healthcare Centre, this multi commission project has many external constraints and is considered to be moderate in complexity with a mostly defined scope and uncertainties are anticipated. In accordance with the Contingency Matrix (identified in Appendix 1 of the Capital Project Financial 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. All remaining funds for this assignment of the project will be returned to the original source and applied to other phases of the project.

Cole has completed similar projects in the past of similar scope and is already heavily engaged in the detail design for the precinct plan and is therefore deemed qualified to undertake this assignment.

Relationship to Vaughan Vision 2020/Strategic Plan

This report is consistent with the priorities previously set by Council and ties into the following Vaughan Vision 20/20 Goals and Objectives:

Goal: Service Excellence

Objective: Promote Community Safety, Health, & Wellness

Continuing with the Hospital Precinct Development, and completing the servicing of the lands for the new Mackenzie Vaughan Hospital in partnership with Mackenzie Health, will ultimately provide a new much-awaited hospital and healthcare facility for Vaughan, thus contributing to fulfillment of this vital Strategic Objective.

Regional Implications

The Region of York will be a participating stakeholder for the required approvals during the detailed design and construction of infrastructure related to the development of the Precinct Plan.

Conclusion

Staff recommends that this assignment be awarded to Cole Engineering Group Limited in the amount of \$531,115.00, plus applicable taxes and administration recovery.

Attachments

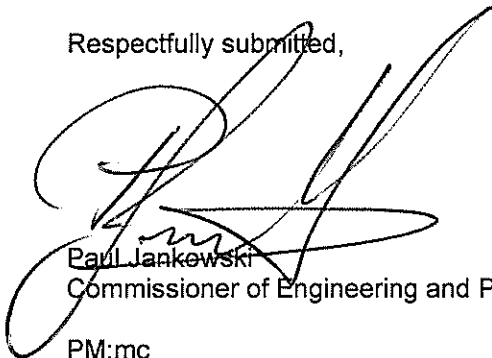
Not Applicable.

Report prepared by:

Paolo Masaro, Manager (Acting) Design Services, ext. 8446



Respectfully submitted,



Paul Jankowski
Commissioner of Engineering and Public Works

PM:mc



Jack Graziosi
Director of Engineering Services