

MEMORANDUM

TO: Mayor & Council
FROM: Director of Engineering Services
DATE: May 6, 2015
RE: Uplands Combined Sewer Separation Project:
Request for Proposals Evaluation & Contract Award

BACKGROUND:

Provincial legislation requires that separation of sanitary sewer and storm-water flows within the Uplands must proceed.

DISCUSSION:

On February 16, 2015, Mr. Jack Hull, Oak Bay's Project Manager for the Uplands Combined Sewer Separation Project made a presentation to the Committee of the Whole summarizing work done to date and the recommended path forward. The Project Manager's presentation and report outlined all facets of the issue to date and identified recommendations to specifically address the scope and content of a proposed Request for Proposals (RFP) for a pre-design study.

An RFP was issued and the results are presented in the Project Manager's report attached hereto as Attachment "A"

Engineering staff concur with the results from the evaluation.

OPTIONS:

1. That, as outlined in the Project Manager's Memorandum (Attachment 'A'), McElhanney Consulting Services Ltd., be awarded the contract for the Uplands Combined Sewer Separation Project Pre-Design in accordance with their proposal dated April 17, 2015 in the amount of \$160,815 plus GST for a total of \$168,855.75.
2. That Council provide alternate direction to staff.

FINANCIAL IMPACT:

The 2015 budget and Financial Plan Bylaw include this project, and the proposed cost is within the budgeted amount. The funding will come from the Gas Tax money which has been reserved in the Capital Works Reserve Fund.

RECOMMENDATION(S):

That, as outlined in the Project Manager's Memorandum (Attachment 'A'), McElhanney Consulting Services Ltd., be awarded the contract for the Uplands Combined Sewer Separation Project Pre-Design in accordance with their proposal dated April 17, 2015 in the amount of \$160,815 plus GST for a total of \$168,855.75.

Respectfully Submitted,



D. Marshall B.Sc., A.Sc.T.
Director of Engineering Services

Source of Funds/I concur with the recommendation of the Director of Engineering Services.



Patricia Walker
Municipal Treasurer

I concur with the recommendation of the Director of Engineering Services.



Helen Koning
Chief Administrative Officer

MEMORANDUM**DATE:** 30 April, 2015**TO:** Dave Marshall, Director of Engineering Services**PROJECT:** Uplands Combined Sewer Separation Project**SUBJECT:** Proposal Evaluation

The District of Oak Bay issued a request for proposals for the Uplands Combined Sewer Separation Project on March 20, 2015. A proponents meeting held at 1:30 on March 26 and was attended by representatives of twelve consulting firms. Three proposals were submitted by the deadline on April 17, 2015.

Proposals were received from:

Associated Engineering (BC) Ltd

McElhanney Consulting Services Ltd.

WSP Canada Inc.

The submission from the proponents consisted of two envelopes, the first containing the technical proposal, the second, the fee proposal. The technical proposals were independently reviewed by Dave Marshall Director of Engineering Services, Richard Ding Design Engineer, and Jack Hull, Project Manager, using the criteria included in the proposal. (Attachment 1). Two of the proponents demonstrated a good understanding of Oak Bay's requirements and have extensive municipal experience, namely, Associated Engineering (BC) Ltd and McElhanney Consulting Services Ltd.

The individuals who would be working on the project also have the required qualifications and experience. One of the proponents failed to provide the information necessary to evaluate its qualifications and experience. On the basis of the review only one proposal was within 15% of the score awarded to the highest technical score. As a result the proposal from WSP Canada was not considered further.

The main difference between the two proposals was Associated Engineering proposing to present only an 'order of magnitude' budget level intended for option comparison and funding budget purposes.' The proposal call required costing to be developed to a level of confidence that will allow Council to apply for senior government funding and move forward to the next phase – detailed design. An order of magnitude cost estimate is not considered to provide a sufficient level of confidence.

McElhanney demonstrated a good understanding of Oak Bay's objectives. These include:

- Ensuring value for taxpayer's dollars.
- Separate systems for management of sanitary sewer and stormwater.
- Elimination of combined sewer overflows.
- Elimination of stormwater inflow to the sanitary sewer system (combined sewer services, cross connections, etc.).

- Reduction of infiltration into the sanitary sewer system.
- Solutions that minimize the need for excavation or destruction of private property.
- Solutions that minimize the need for removal of healthy mature trees and landscaping in the public right-of-way.
- Investigation of potential slope stability issues.
- Identify and provide options to address locations where there are no SRW's or easements over mains and services on private property.
- Cost estimates that are realistic and defensible, with preliminary designs to a sufficient level of detail informing these estimates.
- Options for green stormwater management techniques, on both public and private property.
- A triple bottom line analysis and comparison of options that is transparent and easily understood.
- An implementation plan that meets the financial capacity of the District.

The envelopes with the fee proposal were then opened and a combined technical and financial score calculated to determine the best value to Oak Bay. The fee proposals were within \$1,000 of each other so that after combining the technical and financial scores McElhanney Consulting Services Ltd had the highest combined score.

Not included in the McElhanney proposal, but would be value added services if deemed necessary by Oak Bay were the assistance of a landscape architect, an arborist, archaeologist and on site geotechnical investigation. If on-site geotechnical work was required depending on the level of effort the cost would be in the \$6,000 - \$10,000 range (plus GST). (This was also an additional cost in the Associated Engineering proposal). As the scope of the community engagement process had not been defined at the time the proposal was developed, no allowance has been made for the consultant's involvement in the process other than for time required for discussions with Oak Bay and the identification/development of an appropriate scope of communications coordination effort. Participation in up to three public meetings is estimated to cost in the range of \$7,000 to \$8,000 plus GST. If the McElhanney fee was adjusted by this amount, it would still have had the highest combined score.

Reference checks confirmed that McElhanney has the capability and experience to undertake this project. Project are delivered on schedule and within budget.

McElhanney has requested a change to the proposed contract to charge a flat 6% of fees to cover out of pocket expenses to simplify their accounting. (Associated Engineering had also proposed a flat fee approach for disbursements). This change is reflected in their fee proposal and is considered acceptable.

The fee proposal represents an upset amount not to be exceeded without the approval of Oak Bay. Reimbursement will be based on actual time expended on the project.

Recommendation:

It is recommended that McElhanney Consulting Services Ltd., be awarded the contract for the Uplands Combined Sewer Separation Project Pre-Design in accordance with their proposal dated April 17, 2015 in the amount of \$160,815 plus GST for a total of \$168,855.75.



J. A. (Jack) Hull MBA, P.Eng.

HJA Water Management Consulting

Uplands Combined Sewer Separation Project
Proposal Evaluation

Attachment 1

Reviewed by:			
Proponent			
TECHNICAL			
	Maximum Points		Comments
1. THE PROPONENT			
1.1 Experience with similar projects	50		
1.2 General Project Related Experience	35		
1.3 Location of Proponent	15		
TOTAL PROPONENT	100		
2. THE PERSONNEL			
2.1 Project Manager			
(I) General Experience	20		
(II) Specific Experience	50		
(III) Qualifications	20		
(IV) Local Knowledge	10		
2.2 Project Specialists			
(I) Experience	25		
(II) Qualifications	15		
(III) Local Knowledge	10		
TOTAL PERSONNEL	150		
3. THE METHOD			
3.1 General approach	20		
3.2 Proposed team organization	20		
3.3 Roles/responsibilities definition	25		
3.4 Proposed list of activities	30		
3.5 Project control and reporting	25		
3.6 Understanding of District's objectives	85		
3.7 Quality of presentation	20		
3.8 Proposed level of effort	25		
TOTAL METHOD	250		
TOTAL TECHNICAL SCORE	500		
Minimum Acceptable Score (85%)			
FINANCIAL	500		
Fee proposal			
% above low fee proposal			
FINANCIAL SCORE			
TOTAL SCORE	1000		