



## **TOWN OF MINTO**

**DATE:** March 23, 2016

**REPORT TO:** Mayor and Council

**FROM:** Bill White, C.A.O. Clerk, Gordon Duff Treasurer, Brian Hansen, Public Works Director

**SUBJECT:** Consulting Engineering Services RFP 2016-05

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### **STRATEGIC PLAN**

- 5.7 Adopt and maintain fair and transparent procurement policies and by-laws to ensure the Town receives competitive pricing on tenders and proposals, and that local business has equal opportunity to submit bids.
- 9.1 Establish and maintain streamlined planning approval processes that use innovative and cost effective tools to protect Town and public interest and ensure development proceeds quickly and affordably.
- 11.0 Maintain and enhance infrastructure to protect public health and safety, prevent property damage, maintain high quality of life, and effectively manage financial resources to ensure Minto is an attractive and viable community for family living and business investment.

### **BACKGROUND**

At the December 15, 2015 Council meeting staff reported on Town engineering consulting services provided by several different engineering firms. Work has been allocated based on historical involvement and re-allocated as needs and firms evolved. Council agreed to proceed to proposals for consulting engineering work in the following areas:

- 1. Capital project design, review, tendering, project management, approvals assistance with grant applications
- 2. Plan review, evaluation and comment including any meetings with Council
- 3. Waste water treatment facility operation; sewage collection system maintenance
- 4. Water treatment plant operation (Minto Pines, Palmerston, Harriston, Clifford) and water distribution system maintenance.
- 5. Rural road, culvert and bridge maintenance and design as needed.
- 6. Drainage Act pertaining to municipal drains. Storm Water Management
- 7. Facilitating and/or completing of annual bridge and culvert inspections and roads needs study as per MTO Criteria.
- 8. Other duties as may be needed from time to time including structural engineering, qualified persons contaminated sites, traffic, and similar more specialized services.

The RFP was emailed February 26 to eight firms that had worked for or with the Town in the last five years, placed on the Town website and advertised in the Wellington Advertiser. Eleven firms submitted proposals as follows:

BM Ross,	Mount Forest/Goderich	GSS	Owen Sound
GM Blue Plan	Listowel	IBI	Waterloo
Triton Engineering	Harriston/Elora	WSP	Hanover
KSmart	Kitchener	CIMA	Kitchener
J.L. Richards	Guelph	SBM	Arva/Waterloo
R.J. Burnside	Guelph		

A “two envelope” proposal was used. Envelope #1 contained the Firm’s Background, Primary Contact Qualifications, Team Member Expertise, and the Methodology of Approach to the work. This represented 70% of the scoring criteria. Envelope #2 contained the Firm’s pricing and was only opened for firms that scored over 50% under envelope #1.

March 23 proposals were reviewed by a team consisting of the Deputy Mayor, Water Foreman, Public Works Director, CBO, Treasurer and Public Works Director. Firms were scored based on the criteria below:

a)	Firm Capability, Experience, Qualifications, Proximity	10%
b)	Primary Contact Capability, Experience, Qualifications, Style	20%
c)	Team Members Capability, Experience, Qualifications, Aptitude	10%
d)	Methodology and Approach	<u>30%</u>
		70%

Of the eleven proposals received 10 scored high enough to warrant opening envelope #2. A spreadsheet was prepared summarizing the five year average hourly rate for each of eight services areas, an overall average hourly rate of each consultant and a five year average hourly rate for all consultants in all areas. The average hourly rate for all consultants in all areas was \$119.96.

The consultants that provided average hourly rates for all services below \$119.96/hour were Triton Engineering, GM BluePlan, KSmart, J.L. Richards, GSS and WSP. Firms were also asked to identify disbursements or surcharges that would be in addition to their hourly rates. These amounts had to be identified so the Town understood the full cost of the service offered by each consultant and the following was noted:

1. Triton Engineering was the only firm with no disbursements above their hourly rate.
2. GM Blue Plan disbursements for mileage, equipment and other (cost plus 10%)
3. KSmart disbursements for mileage, copies and others as incurred.
4. JL Richards disbursement 5% on labour
5. GSS disbursements for mileage, and 2.5% of fees
6. WSP disbursements for mileage, copies and other equipment

Considering hourly rates quoted plus disbursements each costing proposal was scored based on the following system outlined in the RFP:

- 0 points for 15% or more above five year average rate
- 7.5 points for 5% to 15% above five year average rate
- 15 points for meeting the five year average rate +- 5%
- 22.5 points for 5% to 15% below the five year average rate
- 30 points for greater than 15% below the five year average rate

The RFP allowed the proposal award to be split by community or by service, but the intent is to reduce the number of consultants to one or two if possible.

#### **COMMENTS:**

Engineering services directly impact cost and time of internal projects (road reconstruction and servicing) and external development (subdivision and site plan approvals). During review of the proposals the Committee scored firms that demonstrated values such as high

level customer service; response commitment, diversified, accommodating, versatile, well trained workforce, and focus on quality and affordability. Staff is confident all the firms that submitted can provide consulting services the Town needs from a technical standpoint

The municipal review team is pleased that 11 firms were interested in working for the Town including several firms that have done work for Minto over the years. When averages of hourly rates of all firms fall within \$30 of each other, staff believes the proposal call was fair and allowed a full evaluation. It is difficult to assess the impact of disbursements on the overall cost of the proposal, but a mileage cost for example can add considerably over five years especially for firms coming from Kitchener, Owen Sound, or Guelph. With no disbursement costs the Triton proposal stands out from a cost perspective

Considering qualifications all the primary contacts, their support teams as well as overall methodology and approach, the municipal review team believes the Triton Engineering proposal provides the best overall value to the Town, and most likely the lowest cost as their “all in” hourly rate is still below average. Their main contact is Paul Ziegler lives in Minto. The municipal review team recommends all eight areas of work be awarded, and that Triton find a “sub” consulting firm to provide the work required under the Drainage Act. This specialized work is currently provided by Dietrich Engineering. Triton will need to speak to B.M. Ross who has proprietary ownership of the “Find-It” mapping system. Staff is confident a working relationship can continue in that area.

#### **FINANCIAL CONSIDERATIONS:**

The amount spent on consulting engineering is proportional to the amount of capital work needed in the Town. Since 2008 Town engineering expenses ranged between \$280,000 and \$600,000 per year for all services including Drainage Act work. Revenue from development applications, grants, and drain assessments offsets some of the cost. This competitive process will help with cost control and increase service compatibility.

#### **RECOMMENDATION:**

THAT Council receives the report from the C.A.O. Clerk, Treasurer and Public Works Director dated March 24, 2016 regarding Consulting Engineering Services RFP 2016-05, and that the proposal call be awarded to Triton Engineering Services Limited subject to a final agreement coming forward to Council for final approval with a five year term and 90 day cancellation clause.

Bill White  
C.A.O. Clerk

Gordon Duff  
Treasurer

Brian Hansen  
Public Works Director