PORT COLBORNE

ENGINEERING AND OPERATIONS DEPARTMENT
ENGINEERING DIVISION

Report Number: 2012-8 **Date: February 27, 2012**

SUBJECT: PROJECT 2012-3 – REQUEST FOR PROPOSAL – QUALIFICATION OF CONSULTING SERVICES FOR THE DEVELOPMENT OF A WATER DISTRIBUTION SYSTEM INFRASTRUCTURE NEEDS STUDY

1) PURPOSE

This report is prepared by Jim Huppunen, Manager of Engineering Services under the permission of Ron Hanson, Director of Engineering and Operations. The purpose of the report is to inform Council of the outcome of the Request for Proposal (RFP) that was issued for the Water Distribution Infrastructure Needs Study (WDINS) and to obtain approval from Council to award the contract to the successful consultant.

2) HISTORY, BACKGROUND, COUNCIL POLICY, PRACTICES

The Engineering Division last revised the WDINS for the Water Distribution System in 1996. Since then the City has completed the majority of the recommended capital upgrades and an updated WDINS needs to be completed in order to determine the capital upgrades required for the next 25 years.

When the Financial Plan was prepared in 2010 to comply with the requirements of the City of Port Colborne's Drinking Water Licence, it was noted that the completion of an Infrastructure Needs Study in 2011 was critical in forecasting future funding requirements. The Financial Plan submitted for July 1, 2010 was based on the information provided in the last WDINS, which was completed in 1996.

Subsequently, a WDINS was budgeted for in the Financial Plan in 2011, and was budgeted to be completed every 5-6 years in the future. Undertaking a WDINS every 5-6 years will ensure that the most up-to-date information is available for the preparation of the Financial Plan (which has to be re-submitted with the licence renewal every 5 years), and will result in more meaningful projections and expenditure forecasting.

A WDINS will take into account the age and materials in the distribution system, and also examine items such as historical watermain breaks, maintenance issues, water quality issues etc. and prioritizes watermain replacements based on these and other factors. A WDINS will more clearly define the estimated replacement costs, hence why it is important to conduct a WDINS on a regular basis.

Staff prepared RFP documents and a public call for submission of proposals was issued. Proponents were required to submit proposals in accordance with the Terms of Reference prepared by the City.

Three (3) proposals were received from the following firms:

- AECOM;
- AMEC; and
- Associated Engineering

The proposals, using a “two envelope” system were reviewed and scored according to:

- Applicable technical expertise and resources;
- Team strength and leadership;
- Similar work experience and local experience;
- Project schedule;
- Project understanding;
- Methodology;
- Letters of reference; and
- Cost Factor

Only the top three proposals were eligible to receive points for cost.

During the bidding process, four (4) consultants took out documents, and on February 6, 2012 at the time of closing, three (3) consultants submitted proposals. The results of the RFP opening have been noted below. The entire process and opening proceedings adhered to policies and past practices as previously adopted and endorsed by Council.

3) STAFF COMMENTS AND DISCUSSIONS

A selection team consisting of Engineering Staff scored AMEC, AECOM and Associated Engineering based on technical content and therefore eligible for cost points. These three proposals were very close in technical content.

Based on final project costs of $174,418 from AMEC, $186,658 from AECOM and $148,096 from Associated Engineering; Associated Engineering has been scored the highest when the points for cost were added to the points for the technical scores.

At the time of proposals closing on Monday February 6, 2012 formal, completed proposals were received from the following listed, three (3) consultants. All submitted request for proposal documents have been checked for errors or omissions and corrected pricing has been listed below:

Consultant	Proposal Cost
1. AECOM	$186,658
2. AMEC	$174,418
3. Associated Engineering	$148,096

This project is intended to provide a long range capital and operating plan for the City of Port Colborne’s potable water distribution system. The plan will be comprehensive and will incorporate all facets of the management, expansion and funding of the system over a 25 year timeframe. The plan will also provide business processes and tools to allow for the refinement and augmentation of plan deliverables by City Staff over time. Project deliverables will take into account all: regulatory, risk, growth, financial and socio-economic impacts and stressors. This project will be performed in accordance with the MEA Class Environmental Assessment Process and will ensure that the recommended works are in accordance with the Safe Drinking Water Act, 2002 c. 32 – Bill 195.

The Regional Municipality of Niagara (Region) owns and operates the Port Colborne Water Treatment Plant (WTP), which is outside of the scope of this WDINS. However, recognizing that the properties of the water being provided to the Port Colborne Distribution System (PCDS) are directly affected by the Region’s activities at the WTP,

the successful consultant will be required to contact the Region for data that may affect the PCDS, and may be required to include Regional staff in some of the meetings/workshops etc.

This study includes the following general tasks of work to be considered as preliminary or minimum requirements. Consultants are required to include additional study items into the scope of the project as appropriate.

- **Review of Existing System Characteristics**
- **Water System Modeling**
- **Condition Assessment**
- **Growth Projections**
- **Infrastructure Renewal/Improvements and Sustainability**
- **Recent Water Studies**

It is the recommendation of Staff at this time that Council accept the Request for Proposal as submitted by Associated Engineering and award the Development of a Water Distribution System Infrastructure Needs Study Request for Proposal to them. This will allow the City to enter into an agreement with Associated Engineering and to initiate the study as soon as details and scheduling allow.

In 2011, council budgeted $186,000 for the Development Water Distribution System Infrastructure Needs Study.

4) OPTIONS AND FINANCIAL CONSIDERATIONS:

a) Do nothing.

This is not an option. Funds for a Water Distribution System Infrastructure Needs Study were budgeted for in the Financial Plan that was approved by Council in 2010. Current legislation mandates that a water distribution system be sustainable.

b) Other Options

None.

5) COMPLIANCE WITH STRATEGIC PLAN INITIATIVES

Not applicable.

6) ATTACHMENTS

None.

7) RECOMMENDATION

A) That the Council of the City of Port Colborne award the Request for Proposal – Development of a Water Distribution System Infrastructure Needs Study to Associated Engineering of St. Catharines, Ontario for the total proposed price of $148,096 plus applicable taxes.

B) That funding for Project #2012-3 be financed under Account 6-595-76345-3319.

8) SIGNATURES

Prepared on February 10, 2012 by:

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Reviewed by:

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Reviewed and Respectfully Submitted:

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