Comox Valley REGIONAL DISTRICT

Staff report

DATE: January 11, 2017

FILE: 5340-02

TO: Chair and members
Comox Valley sewage commission

FROM: Debra Oakman, CPA, CMA
Chief Administrative Officer

RE: Contract award – owners engineer services for the Comox No. 2 pump station project

Purpose
To receive approval for the award of a contract to Opus International Consultants (Canada) Ltd. for owners engineer services for the Comox No. 2 pump station project.

Policy analysis
Bylaw No. 284, being the "Comox Valley Regional District Delegation of Purchasing Authority Bylaw No. 284, 2013" requires that the board approve all contracts in excess of $100,000.

Executive summary
Wastewater from the City of Courtenay and the Town of Comox is transmitted to the Comox Valley water pollution control centre (CVWPCC) through a large diameter forcemain that follows the shoreline from the Courtenay River estuary to Goose Spit, along Willemar Bluff and then on to the CVWPCC. A new pump station and forcemain alignment are required to resolve the long standing environmental risk associated with the Comox Valley Regional Districts (CVRD) wastewater forcemain along Willemar Bluff, and also to increase pumping capacity at the Courtenay and Jane Place pump stations.

The project will be delivered as a design-build (DB) project, which is different than the traditional design-bid-build project delivery model. Under the DB model, a single bid team is responsible for both the design and construction of the project. This can result in cost savings and schedule reduction due to combining two procurement processes into one and an increase in the potential and motivation for innovation by the private sector. Additionally, combining design and construction into a single contract focuses responsibility for all construction risks to a single private sector entity.

In December 2016 the CVRD issued a request for proposal (RFP) for owners engineer services for the Comox No. 2 pump station and forcemain project. The owner's engineer role is to develop performance based specifications that the DB bid teams must adhere to within their design and construction of the pump station and forcemain. The RFP scope of work for the owner's engineer is structured in phases; and proponents were asked to provide fee estimates for an indicative design, and subsequent phases of design and construction monitoring. The first phase of the project is the pre-implementation phase and will include development of an indicative design for the project.

Upon closing of the RFP a total of five compliant proposals were received and were evaluated according to the criteria in the RFP. The highest ranked proposal was from Opus in the amount of $168,496 exclusive of GST, for the pre-implementation phase.

Should the project proceed beyond the pre-implementation phase and the engineering consultants have performed well up to that point, the CVRD will avoid another procurement process and award the next phases of engineering support to the same consultant. The next phases include

implementation, construction management and post-construction. Should Opus be awarded all four phases the total contract amount will be $491,336 excluding GST.

Recommendation from the chief administrative officer:
THAT as a result of a competitive process, the contract for the owners engineer services for the pre-implementation phase of the Comox No. 2 pump station project be awarded to Opus International Consultants (Canada) Ltd. in the amount of $168,496 excluding GST;

AND FURTHER THAT subsequent phases of the work including the implementation, construction and post-construction phases be awarded to Opus International Consultants (Canada) Ltd. at the Comox Valley Regional Districts discretion for a total overall cost of $491,336 excluding GST;

AND FINALLY THAT the chair and corporate legislative officer be authorized to execute the contract.

Respectfully:

D. Oakman

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Debra Oakman, CPA, CMA
Chief Administrative Officer

Background/current situation
Wastewater from the City of Courtenay and the Town of Comox is transmitted to the CVWPCC through a large diameter forcemain that follows the shoreline from the Courtenay River estuary to Goose Spit, along Willemar Bluff and then on to the CVWPCC. In 2002 the regional district discovered that beach erosion along Willemar Bluff had exposed significant portions of the forcemain and in 2005 study work was completed recommending that a new pump station be constructed near the intersection of Croteau Road and Docliddle Road and that a new inland forcemain alignment be constructed from the new pump station to the CVWPCC thereby by-passing Willemar Bluff.

The project is to be delivered under the DB procurement model, which varies from the traditional design-bid-build model. Under this project delivery model, the CVRD will still engage engineering consultants but they will develop a performance based specification rather than detailed design. A request for quotation and RFP process will then be initiated to select a bid team comprised of design engineer and construction firm. Following the selection of the bid team, the CVRD will enter into a DB agreement with the bid team, a single entity responsible for both design and construction of the water treatment system. Combining design and construction into a single contract focuses responsibility for all construction risks to a single private sector entity. Rather than including detailed specifications developed by the owner's engineer, the DB contract contains performance based specifications and the DB contractor must decide how best to meet them. This can result in cost savings and schedule reduction due to combining two procurement processes into one and an increase in the potential and motivation for innovation by the private sector.

In December 2016, the CVRD issued an RFP for owners engineer services for the Comox No. 2 pump station project. A total of five compliant proposals were received at the time of closing.

The owners engineer services will be completed in four distinct phases as listed below:

- Pre-implementation phase
- Implementation phase
- Construction phase
- Post-construction phase

The pre-implementation phase of the project will complete the indicative design of the project. Core objectives for the next phase will include:

- Developing a cost effective solution to decommissioning the Willemar Bluff section of the existing sewer forcemain;
- Ensuring that no impediments exist to siting the Comox No. 2 pump station on the Beech Street location (i.e. ruling out potential red flags);
- Developing a design and construction methodology for the project that minimizes the impact of construction and operation of the facility on the surrounding community.

The process for the owner's engineer role were evaluated as a two envelope RFP, part one being the technical submission and part two being the financial submission. The technical submission was worth 70 per cent of the total score and the financial submission was worth 30 per cent. The proposals were evaluated by a team comprised of three CVRD staff, and the technical submission was evaluated against a set of point rated criteria set out in the RFP, which included project understanding, approach and methodology, project delivery and proponent team. The results of the technical evaluations are provided in table no. 1 below.

Table No. 1: Ranking of technical submissions

Name of Firm	Technical Ranking
Opus International Consultants (Canada) Ltd.	1
Associated Engineering (BC) Ltd.	2
ISL Engineering and Land Services Ltd.	3
Golder Associated Ltd.	4
Wedler Engineering LLP	5

The evaluation team reviewed the technical submissions and if a technical submission was not within 15 per cent of the highest technical submission score the evaluation team did not evaluate the financial submission. Only Associated Engineering's proposal was within 15 per cent of the highest ranked technical submission, being Opus. As such only Opus and Associated Engineering's financial submissions were evaluated. Financial submissions were evaluated based on price, with the lowest price receiving full points and all others receiving points based on the percentage of which their score exceeds the lowest. Table no. 2 below provides the results of the overall ranking of the proposals.

Table No. 2: Overall ranking of proposals

Name of Firm	Overall Ranking
Opus International Consultants (Canada) Ltd.	1
Associated Engineering (BC) Ltd.	2

When combining the technical and financial scores, the firm that ranked the highest overall was Opus. Opus's price for the pre-implementation phase is $168,496 exclusive of GST. The primary deliverable for the pre-implementation phase is an indicative design technical memorandum that will include a Class B cost estimate and updated project schedule. The pre-implementation phase is scheduled to be complete by June 2017. Should work proceed pas the first phase and Opus is awarded all four phases the total contract amount will be $491,336 excluding GST.

Options
The commission has the following options:

1. To approve the contract award to Opus International Consultants (Canada) Ltd.
2. To not award the contract at this time.

The RFP was issued with the intent to award a contract to the proponent that ranked the highest, offering the best value to the CVRD. Each proposal was evaluated based on the RFP criteria with the highest ranked proponent being Opus International Consultants (Canada) Ltd. As such, only option no. 1 above is recommended.

Financial factors
The 2017-2021 financial plan for the Comox Valley sewerage service (CVSS) includes an allowance of $925,000 for the Comox No. 2 pump station and forcemain project in 2017, $7,615,250 in 2018 and $3,841,000 in 2019. The budgeted allowances include consulting services for design engineering, tender assistance, construction oversight and construction contract management and also the construction contract.

Legal factors
Bylaw No. 284 requires that the board approve award of all contracts in excess of $100,000.

Regional growth strategy implications
The regional growth strategy contains several goals and objectives applicable to the construction and operation of the Comox No. 2 pump station and forcemain project. This includes reducing energy consumption and greenhouse gas emissions. These targets will be incorporated into the project.

Intergovernmental factors
The CVSS is governed by the sewage commission whose membership includes representation from the City of Courtenay, Town of Comox and the Department of National Defence.

Interdepartmental involvement
The engineering services branch is leading this work with support from the financial services department.

Citizen/public relations
The Comox No. 2 pump station project communications plan was brought forward to the sewage commission in October 2016. The purpose of the consultation activities are to provide proactive outreach to neighborhood residents and the broader Comox Valley sewer service area about the need for a new pump station and the process that is currently underway to assess, plan and ultimately construct a new facility on Beech Street. The focus during the pre-implementation phase will be on working with the local residents to develop an architectural design guideline for the facility to ensure that it fits into the community. The design guideline will be provided to the prospective design build teams during the implementation phase to constrain their pump station designs to the aesthetic derived from community feedback.

Prepared by:	Concurrence:	Concurrence:
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