



STAFF REPORT ACTION REQUIRED

Amendment to Agreements for Contracted Professional Engineering Services Supporting Transportation Services and Toronto Water Capital Projects - RFP 9117-10-5051

Date:	February 3, 2015
To:	Public Works & Infrastructure Committee
From:	Executive Director, Engineering & Construction Services Director, Purchasing & Materials Management Division
Wards:	All Wards
Reference Number:	P:\2015\Cluster B\TEC\PW15011 (AFS # 20691)

SUMMARY

The purpose of this report is to request authority to amend agreements with R.V. Anderson Associates Ltd., GHD Inc., the legal successor to The Sernas Group Inc., and MMM Group, the legal successor to McCormick Rankin Corporation for contracted professional services related to design and construction supervision of the 2014 Transportation Services and Toronto Water Capital Works Programs. This administrative amendment request is to extend the term of the agreements, as well as the corresponding Purchase Orders and Open Contract from February 28, 2015 to December 31, 2015, under the same terms, conditions and contract value as the original agreements. This report recommends extending the duration of the three contracts only and does not alter the award values approved by Bid Committee.

RECOMMENDATIONS

The Executive Director, Engineering & Construction Services, and the Director, Purchasing & Materials Management, recommend that:

1. City Council authorize the extension of the agreements with:
 - R.V. Anderson Associates Ltd.- Purchase Order No. 6031100 ;
 - GHD Inc., the legal successor to The Sernas Group Inc. - Purchase Order No. 6039155; and

- MMM Group, the legal successor to McCormick Rankin Corporation – Open Contract No. 47018457

for contracted professional services related to design and construction supervision of 2014 Transportation Services and Toronto Water Capital Works Programs to December 31, 2015, under the same terms and conditions of the original agreements.

2. City Council authorize the Executive Director of Engineering & Construction Services to enter into and execute any required amending agreements to give effect to the extension in Recommendation 1.

FINANCIAL IMPACT

There is no financial impact associated with this report. This report recommends extending the duration of three contracts but does not alter the award values approved by Bid Committee.

The total potential contract award value for each assignment, including all option years net of all applicable taxes will remain to be \$7,285,034.94 (R.V. Anderson Associates Ltd.), \$8,090,739.84 (The Sernas Group Inc.), \$8,988,337.20 (McCormick Rankin Corporation) and \$7,267,324.08 (Cole Engineering Group), respectively.

Funding for these awards remains available in the Approved 2014 Capital Budgets and the 2015 to 2023 Capital Plans within the Transportation Services and Toronto Water Capital Programs.

The Deputy City Manager & Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

On June 23, 2010 (meeting 175, Item 6), the Bid Committee adopted the recommendations of Report RFP 9117-10-5051, approving the recommendations of the Director of Purchasing & Materials Management that authority be granted to enter into agreements with R.V. Anderson Associates Ltd., The Sernas Group Inc., McCormick Rankin Corporation and Cole Engineering Group Ltd. for the provision of contracted professional services for pre-design, detailed design, tender preparation, contract administration and site supervision for Transportation Services and Toronto Water Capital projects on a fee for service basis for a duration of one year until June 30, 2011 with the option to renew for two additional one year periods. Both options to renew were exercised, extending the terms of the agreements in two – one year periods to June 30, 2013.

The Bid Committee decision can be found at:

<http://www.toronto.ca/legdocs/mmis/2010/bd/minutes/2010-06-23-bd175-mn.htm>

At its meeting on April 3 and 4, 2013, City Council adopted a Public Works & Infrastructure Committee report PW21.6 authorizing the extension of the term of the agreements from June 30, 2013 to February 28, 2015 to allow three of the four consulting firms to continue their design obligations, assigned contract administration, site supervision and post construction activities for

2013 and 2014 construction contracts. The Public Works & Infrastructure Committee decision can be found at the following link:<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.PW21.6>

ISSUE BACKGROUND

In 2010, Engineering & Construction Services and Purchasing & Materials Management issued a request for proposal to procure the services of engineering consulting firms to assist with the pre-design, detail design, preparation of tender documents, contract administration and site supervision for capital construction projects. The City retained the firms of R.V. Anderson Associates Ltd., The Sernas Group Inc., McCormick Rankin Corporation and Cole Engineering Group. Each contract was for a term of one year, renewable for up to two further one year terms. The total potential contract award value for each assignment, including all option years net of all applicable taxes is \$7,285,034.94 (R.V. Anderson Associates Ltd.), \$8,090,739.84 (The Sernas Group Inc.), \$8,988,337.20 (McCormick Rankin Corporation) and \$7,267,324.08 (Cole Engineering Group), respectively. All four contracts were renewed for the second and third year options. Three of the four were extended from June 30, 2013 to February 28, 2015 under Purchase Order Amendments. The extension allowed completion of detailed designs, contract administration and construction site supervision to take place in 2013 and 2014.

The duration of the contracts was previously extended to permit the engineering consulting firms to complete the engineering design assignments to:

- minimize delays with respect to the commencement of construction activities;
- reduce potential costs that may be encountered during construction from incomplete designs; and
- complete previously committed design, contract administration and post construction activities with no additional cost to the consultant assignments.

The previous request for time extensions to the agreements had no additional financial impact beyond that approved by Bid Committee.

COMMENTS

The firms of R.V. Anderson Associates Ltd., GHD Inc., the legal successor to The Sernas Group Inc., and MMM Group, the legal successor to McCormick Rankin Corporation, have largely completed all detailed designs related to 2014 contracts. Most of the projects captured under the original engineering consultant agreements were constructed in 2014. However, additional work is still required to:

1. complete post construction activities for the contracts constructed in 2013 and 2014 including as-built survey and related drawings, documentation of deficiencies and any warranty period follow-up inspections which may be required; and

2. undertake contract administration, construction site supervision and post-construction activities for 2014 contracts which for reasons beyond the control of the consulting firms were not completed in 2014 and will be finalized in 2015.

To permit continuation and finalization of contract administration, construction site supervision and post-construction components of current work assignments, the previous terms of the agreements with the above noted firms will require extensions to December 31, 2015.

Projects for which the contract time extensions apply include:

1. Yorkville Avenue /Bellair Street: This streetscaping and watermain contract was designed by MMM Group in close association with the local BIA and their planner. Contract administration and site supervision by MMM Group is advantageous for continuity and to ensure a high-quality outcome for an important commercial area. The contract was tendered mid 2014 but was only recently awarded because the contract value exceeded the original estimate. Construction work will commence in March 2015 and continue to November 2015.
2. Budea Crescent, Crocus Drive, Warden Avenue: This contract was tendered in the fall of 2014, but due to an abnormally high closing bid price related to construction market conditions, the contract will be re-tendered in February 2015. Contract administration and site supervision will be coordinated by GHD Inc. with construction completion expected in November 2015.
3. Markham Road, Meadowvale Road, Cedar Drive: This contract was tendered in late 2014, due to scope changes and stormwater management design issues. It is scheduled for award in February 2015. Contract administration and site supervision will be managed by GHD Inc. with construction completion expected in November 2015.
4. Dundas Street West Ravine: This project involves slope remediation and construction of a new storm sewer on the east side of the Dundas Street West bridge over the Humber River. Temporary slope stability measures are in place on site. Property easement and access issues and associated approvals have extended the design period. Final design is expected in April 2015 and construction is expected to be completed in March 2015.
5. Eglinton Avenue Bikeway, Humbercrest Point, Windermere Avenue: The Eglinton Avenue bikeway is required to be in place for the Pan Am Games. It includes constructing a bridge over Mimico Creek. The contract has been awarded with construction to start in February 2015. Contract administration and site supervision will be managed by R.V. Anderson Associates Ltd. with construction completion expected in May 2015.

The three aforementioned firms have confirmed that they are in agreement with the proposed extension under the same terms and conditions of the existing agreements. No changes to the previous contract award values are being sought in this report. Staff from the Legal Services and Purchasing & Materials Management have been consulted and advised that seeking Council's approval for these contract extensions is necessary as there is no delegated authority to staff to extend the term of the contract beyond any option years originally contemplated.

CONTACT

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SIGNATURE

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