STAFF REPORT

TO: Committee of the Whole
FROM: Adrian Limpus
     Engineering Technologist
FILE: 5340-01
MEETING: January 14, 2020

SUBJECT: Consulting Engineering for Operational Projects for Wastewater Services – 3 Year Standing Offer

RECOMMENDATION

That the Board authorize three (3) year agreements with the eight firms as set out in Table 1, to support Wastewater Services with operational projects.

SUMMARY

In October 2019, Wastewater Services issued a Request for Standing Offers to select firms to support Wastewater Services over a three-year term. Submissions were evaluated based on technical and financial criteria. Three firms with the highest evaluation score are recommended to be on a pre-qualified list established for each of five specializations to support operational projects.

BACKGROUND

A Standing Offer is an offer from a potential supplier to provide goods and/or services at pre-arranged prices, under set terms and conditions, when and if required. It is not a contract until the Regional District of Nanaimo (RDN) issues a “call-up” against the Standing Offer. The RDN is under no actual obligation to purchase until that time.

Over the last four years, the RDN has had Standing Offer agreements with engineering firms to support Wastewater Services with operational projects. The previous agreements with AECOM and Koers to provide engineering support concluded December 31, 2019.

The Standing Offer agreements provide the RDN timely and cost-effective access to advanced technical expertise to address operational issues and project support. This approach also allows consultants to become more familiar with the RDN’s infrastructure over time resulting in better quality advice.

In October 2019, Wastewater Services issued a Request for Standing Offers to select firms to support the Wastewater Services department over a three (3) year term.
In this process, the three firms with the highest evaluation score would be added to a pre-qualified list in each of the following five specializations:

1. Wastewater Treatment Plants
2. Pump stations and Linear infrastructure
3. Process Mechanical Engineering
4. Process Electrical and Instrumentation

Multi-disciplinary firms could be considered under more than one specialization.

The Request for Standing Offers was issued on BC Bid and on the RDN’s website. Submissions from 16 individual firms were received before the November 14 deadline.

**Evaluation of Submissions**

Submissions were evaluated by a committee of six (6) RDN staff members based on the following criteria:

- **Technical Submission (60%)**
  - Project Team Experience
  - Past Performance, Corporate Experience, and References
  - Project Management Approach and Methodology

- **Financial Submission (40%)**
  - Fee Structure
  - Disbursements
  - Travel Cost

**Pre-Qualified Firms**

Table 1: Firms Shortlisted by the Evaluation Committee:

<table>
<thead>
<tr>
<th>Firm</th>
<th>Wastewater Treatment Plant</th>
<th>Pump Stations &amp; Linear Infrastructure</th>
<th>Process Mechanical Engineering</th>
<th>Process Electrical &amp; Instrumentation</th>
<th>Process Structural Engineering</th>
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</thead>
<tbody>
<tr>
<td>1. AECOM Canada Ltd.</td>
<td>✔</td>
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<td>2. Allnorth Ltd.</td>
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<td>3. Associated Engineering (B.C.) Ltd</td>
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<td>4. Herold Engineering Ltd.</td>
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<tr>
<td>5. Jacobs (CH2M HILL Canada Ltd.)</td>
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<td>6. Koers and Associates Ltd.</td>
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<td>7. PBX Engineering Ltd.</td>
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<tr>
<td>8. RB Engineering Ltd.</td>
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</table>
ALTERNATIVES

1. That the Board authorize three (3) year agreements with the eight firms as set out in Table 1, to support Wastewater Services with operational projects.

2. Provide alternate direction.

FINANCIAL IMPLICATIONS

The estimated value of the work anticipated over the three year term of the standing offer is expected to be roughly $250,000 per year, although this will vary depending upon operational needs in any particular year. Consulting assignments less than $50,000 in value may be assigned to shortlisted firms based on the expertise of individuals on the team, and operational and financial requirements. Specific assignments will require development of a proposal or fee budget which will require approval in the RDN’s Purchase Order process. There is also no guarantee of work for shortlisted firms. This process also does not prevent the RDN from issuing Request for Proposals (RFPs) for specific assignments.

The evaluation score for rates was determined by an analysis of the experience of each firm’s team members in comparison to experience level as per the Consulting Engineers Fee Guidelines published by the Consulting Engineers of BC (CEBC). Firms with the lowest hourly rates by experience level in comparison to the guideline received the highest score.

The financial evaluation also considered disbursements and travel cost.

STRATEGIC PLAN IMPLICATIONS

Environmental Stewardship - Continue to improve the quality of treated wastewater in the Region.

The consulting firms shortlisted within this process will assist the Wastewater Services department with improving the quality of wastewater treatment over the next three years.

These objectives could include adapting the operation of wastewater treatment facilities to meet regulatory changes, looking at resource recovery opportunities, and reducing odour from wastewater operations.

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December 20, 2019

Reviewed by:
- S. De Pol, Director, Water & Wastewater Services
- K. Felker, Purchasing Manager
- J. Bradburne, Director, Finance
- R. Alexander, General Manager, Regional and Community Utilities
- P. Carlyle, Chief Administrative Officer