Minutes – Executive Policy Committee – July 9, 2014

REPORTS

Minute No. 457 Single Source Negotiation and Award of Contract – Professional Consulting Services related to the North East Exchange District Street Renewals Project

EXECUTIVE POLICY COMMITTEE DECISION:

The Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service:

1. That a single source negotiation with MMM Group Limited be approved in the estimated amount not to exceed $300,000.00, plus G.S.T and M.R.S.T, for engineering services related to the detailed design, contract administration and post construction services for works to be carried out in 2014 for the North East Exchange District Street Renewals Project.

2. That subject to the approval under recommendation 1., the Director of Public Works approve the award of contract to MMM Group Limited, in the estimated amount of $245,700.00, plus GST and P.S.T.

DECISION MAKING HISTORY:

Moved by Deputy Mayor Swandel,

That the recommendation of the Winnipeg Public Service be concurred in.

Carried

ADMINISTRATIVE REPORT

Title: SINGLE SOURCE NEGOTIATION AND AWARD OF CONTRACT FOR PROFESSIONAL CONSULTING SERVICES RELATED TO THE DETAILED DESIGN AND CONTRACT ADMINISTRATION FOR THE NORTH EAST EXCHANGE DISTRICT STREET RENEWALS PROJECT

Critical Path: EXECUTIVE POLICY COMMITTEE

AUTHORIZATION

Author	Department Head	CFO	CAO
L. Deane, P.Eng.	B.W. Sacher, P.Eng.	M. Ruta	D. Joshi A/CAO

RECOMMENDATIONS

1. That the Executive Policy Committee approve a single source negotiation with MMM Group Limited in the estimated amount not to exceed $300,000.00, plus G.S.T and M.R.S.T, for engineering services related to the detailed design, contract administration and post construction services for works to be carried out in 2014 for the North East Exchange District Street Renewals Project.

2. That subject to the approval under recommendation 1., the Director of Public Works approve the award of contract to MMM Group Limited, in the estimated amount of $245,700.00, plus GST and P.S.T.

REASON FOR THE REPORT

In accordance with B1.1 of the Administrative Standard No. FM-002, the approval of the Executive Policy Committee is required for any single source negotiation for consultant services where the estimated value relating to capital projects exceeds $100,000 in total, including all phases of any given project.

Following single source negotiations approval by the Executive Policy Committee, as the Contract amount does not exceed Two Million Dollars ($2,000,000.00), and there are sufficient funds in an approved budget, the Director of Public Works may award the contract in accordance with the authority delegated to him pursuant to Administrative Standard FM-002.

IMPLICATIONS OF THE RECOMMENDATIONS

On December 17, 2013, the 2014 Capital Budget was adopted by City Council, which included $35,326,000 in funding for the 2014 Regional Street Renewal Program, with $1,500,000 dedicated to Downtown Sidewalk, Curb and Street Renewals.

The financial status of the project is as follows:

Authorized Funding

2014 Downtown Streets: Sidewalk, Curb and Street Renewals	$1,500,000.00
Less: 2014 Strategic Municipal Infrastructure Research Overhead	($4,875.00)
Less: Estimated Total Project Cost of Previous Awards	($558,991.46)
Amount Available for this Award of Contract	$936,133.54

Amount of this Award:	$245,700.00
Applicable PST:	$5,896.80
Engineering Administration:	$7,550.00
Estimated Total Cost of Work:	**$259,146.80**
Remaining 2014 Downtown Streets: Sidewalk, Curb and Street Renewals	$676,986.74
Estimated Surplus	Nil

HISTORY

On November 5, 2013, the Director of Public Works awarded a contract to MMM Group Ltd. in the amount of $575,000.00 with an additional estimated amount of $143,750.00 for Other Project Costs for the North East Exchange District engineering study in accordance with RFP NO. 705-2013.

The purpose of the study was:

(a) To develop a detailed engineering plan that includes the preliminary design of the identified rights-of-way of the North East Exchange District and an implementation plan to prioritize and schedule the proposed work. The plan will be a proactive approach to have cost certainty for the proposed various works and sufficient lead time to coordinate any required improvements to the above ground and subsurface utilities. The plan will also ensure consistency in the design intent and feel of the rights-of-way for the area.

The objectives of the study are to:

(a) Ensure the rights-of-way match the anticipated land use;
(b) Ensure all planned surface works improvements are well coordinated with planned underground improvements;
(c) Ensure the area is walkable and accessible;
(d) Provide recommendations to improve the rideability, drainage and condition of the pavement for the various streets in the area;
(e) Ensure public transit amenities are accessible and available;
(f) Identify any improvements to bicycle parking or facilities;
(g) Ensure the design conforms to CPTED principles, such as ensuring the rights-of-way are adequately lit;
(h) Provide sustainable and practical solutions for new tree installations, street lighting and other public amenities; and
(i) Determine loading and on street parking supply.

The study is to be completed by this summer. The study includes identifying infrastructure improvements that are to be phased over a number of years. A number of stakeholders in the North East Exchange District Project have expressed the need to undertake and complete the infrastructure works identified for 2014. One of the stakeholders, Centre Venture, has expressed the following comment: "*Centre Venture feels that it is absolutely critical that we proceed in the 2014 construction season with the street work planned in the East Exchange/Waterfront district. We need to physically illustrate to the private sector there is a commitment from the City, the Province and Centre Venture to turn this fledgling neighbourhood into a desirable place to live and do business.*"

The works to be completed in 2014 are estimated to cost approximately $2.84 million to which Public Works will be contributing $840,000, Centre Venture $1,200,000 and PP & D $800,000. A summary of the proposed 2014 work is included as Appendix 1. In order to deliver the improvements in 2014, bid opportunities must be advertised as soon as possible. To ensure this occurs, an engineering consultant must be assigned immediately to prepare the final designs and the bid opportunities.

Since the MMM Group is currently working on the project, it is recommended that a sole source assignment be awarded to them. They have submitted a proposal of $245,700 plus GST and PST for the Final Designs, Contract Administration and Post Construction Services. Their submitted proposal was reviewed and found acceptable. Their cost of providing the services was also found to be acceptable.

The Contract Administrator has reviewed the work with the recommended bidder and is satisfied that they have the necessary resources and experience to perform the work of the contract.

The Materials Management Policy allows for this single source negotiations under:

> *B4.1(f) the compatibility of a supply with existing property or services is the paramount consideration and that supply is available only from a single supplier*

FINANCIAL IMPACT

Financial Impact Statement

Date: June 11, 2014

Project Name:

First Year of Program **2014**

SINGLE SOURCE NEGOTIATION AND AWARD OF CONTRACT FOR PROFESSIONAL CONSULTING SERVICES RELATED TO THE DETAILED DESIGN AND CONTRACT ADMINISTRATION FOR THE NORTH EAST EXCHANGE DISTRICT STREET RENEWALS PROJECT

	2014	2015	2016	2017	2018
Capital					
Capital Expenditures Required	$ 259,147	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	259,147	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	7,550	-	-	-	-
Net Cost/(Benefit)	$ (7,550)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(7,550)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Total estimated costs of $259,146.80 will be funded by the 2014 Regional Street Renewal Program (Public Works Capital Project #1804200214-Sidewalk Curb Renewals Downtown Streets). Recoveries represent the Department Engineering Administration Overhead charge.

"Original Signed by D. Stewart, CA"

D. Stewart, CA
Manager of Finance & Administration

CONSULTATION

In preparing this report there was consultation with:
Centre Venture Corporation and PP & D

SUBMITTED BY

Department:	Public Works
Division:	Engineering
Prepared by:	W. M. Woroby, P. Eng.
Processed by:	J. Curti
Date:	May 30, 2014
File No.	14-B-02
Filename:	North East Exchange Project

Appendix 1 – North East Exchange District Street Renewals 2014 Table

Appendix 1

NORTH EAST EXCHANGE DISTRICT STREET RENEWALS-2014			
Construction Type	Comments	Location	Project Budget
Reconstruction	1,2	Market Avenue-Rorie Street to Bertha Street	$1,000,000
Reconstruction	1	Elgin Avenue-Lily Street to Bertha Street	$800,000
Reconstruction	1	Bertha Walkway Corridor	$500,000
Reconstruction	1	John Hirsch Place Walkway Corridor-Bertha Walkway Corridor to Bannatyne Avenue	$450,000
Reconstruction	1	John Hirsch Place Walkway Corridor and Bertha Walkway Corridor Seating Node	$90,000
Total Project Budget			$2,840,000

Comments:

1 Includes streetscaping, pedestrian lighting, wayfinding and historic interpretations

2 Watermain will be installed under a separate contract funded and administered by the Water and Waste Department. The cost of the watermain is not included in the project budget.

3 The project budget of $2,840,000 will be funded by $2,040,000 as requested from the 2014 Regional Street Renewal Program and $800,00 to be requested from the Property, Planning and Development Department