Minutes - Executive Policy Committee - July 14, 2004

Minute No. 478
Report - Standing Policy Committee on Public Works - July 6, 2004

Item No. 1 **Delegation of Authority to the Chief Administrative Officer to award a time sensitive contract**
File GC-11

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Public Works and submits the following to Council:

1. That Council delegate the authority to the Chief Administrative Officer, with the concurrence of the Chairperson of the Standing Policy Committee on Public Works, to award a time sensitive contract during the period from July 22, 2004 to September 13, 2004, pursuant to a request for proposal for design consultant services for the water treatment plant project, being a contract that exceeds ten million dollars ($10,000,000.00).

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

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DECISION MAKING HISTORY:

Moved by Councillor Steeves,

That the recommendation of the Standing Policy Committee on Public Works be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On July 6, 2004, the Standing Policy Committee on Public Works concurred in the administrative recommendations and submitted the matter to the Executive Policy Committee and Council.

RE: DELEGATION OF AUTHORITY TO THE CHIEF ADMINISTRATIVE OFFICER TO AWARD A TIME SENSITIVE CONTRACT EXCEEDING $10,000,000.00 DURING THE PERIOD OF JULY 22, 2004 TO SEPTEMBER 13, 2004

FOR SUBMISSION TO: The Standing Policy Committee on Public Works

ORIGINAL REPORT SIGNED BY: M. A. Shkolny, P. Eng.
Acting Director
Water and Waste Department

REPORT DATE: June 21, 2004

RECOMMENDATION(S):

1) That Council delegate the authority to the Chief Administrative Officer, with the concurrence of the Chairperson of the Standing Policy Committee on Public Works, to award a time sensitive contract during the period from July 22, 2004 to September 13, 2004, pursuant to a request for proposal for design consultant services for the water treatment plant project, being a contract that exceeds ten million dollars ($10,000,000.00).

2) That the Proper Officers of the City do all things necessary to effect the intent of the foregoing.

REPORT SUMMARY

KEY ISSUES: Delegation of authority to the Chief Administrative Officer to award this time sensitive project will allow the commencement of the engineering design for the water treatment plant by the end of July, 2004 so that the plant can be commissioned by the end of 2007.

IMPLICATIONS OF THE RECOMMENDATION(S):

General Implications

X	None
	For the organization overall and/or for other departments
	For the community and/or organizations external to the City of Winnipeg
	Involves a multi-year contract

Comment(s):

Policy Implications

X	No
	Yes - Comment(s):

Environmental Implications

X	None
	Yes - Comment(s):

Human Resources Implications

X	No
	Yes - Comment(s):

Financial Implications

X	Within approved current and/or capital budget
	Current and/or capital budget adjustment required

Comment(s):

REPORT

REASON FOR THE REPORT:

Under the new Materials Management Policy, the award of a contract for professional engineering consulting services having a value exceeding ten million dollars ($10,000,000.00) must be approved by a Standing Policy Committee. The evaluation of the water treatment plant design consultant proposals will not be completed until the end of July, 2004 but the Standing Policy Committee on Public Works does not meet until September 14, 2004.

Where Council has delegated a specific authority to a Standing Policy Committee, Council approval is required to delegate the specific authority to a member of the administration.

HISTORY:

1993 Council approved the creation of the Water Treatment Reserve Fund to cash finance a portion of the water treatment plant cost.

2000 On November 22, Council adopted the following recommendations:

1. *The City proceed with treatment of the water supply as described herein.*
2. *Design and construction activities be undertaken so that the water treatment plant be operational in the year 2006.*
3. *That the water treatment process as identified through the pilot testing and described herein be adopted as the baseline process for comparison to alternatives and new technologies.*
4. *The Administration:*
   - *a) Investigate and report on emerging technologies such as ultraviolet light disinfection and membranes;*
   - *b) Investigate and report on alternative project delivery strategies; and*
   - *c) Prepare documents in support of any application by Council for Federal and Provincial funding.*

2002 On July 17, Council adopted the following recommendations:

1. *That the baseline water treatment process approved by Council be amended to include ultraviolet (UV) light disinfection.*
2. *That the schedule for implementation of water treatment approved by Council be amended to facilitate staged implementation, with construction of a UV disinfection facility to be operational in 2004, construction of a chloramination facility to be operational in 2005, and construction of the balance of the water treatment plant to be operational in 2007.*
3. *That membrane filtration not be considered for water treatment in Winnipeg, due to the high cost of the technology.*

2003 One June 25, Council adopted the following recommendation:

1. *It is recommended that the "construction management" project delivery strategy be utilized for design and construction of the water treatment plant, and that City forces operate the facility.*

DISCUSSION:

The process for the engagement of consultants for the provision of construction management, engineering design and operational advice services for the design and construction of the water treatment plant was initiated with a request for the submission of expression of interest/ qualifications documents from interested parties. Qualified consultants were forwarded request for proposal documents on June 7, 2004 and their proposal submissions are due on June 28, 2004.

The evaluation of the proposals and preparation of assignment recommendations will take to the end of July, 2004. The value of the construction management and operations advice contracts are estimated to have a value of $5,000,000.00 and $2,000,000.00 respectively while the engineering design contract is estimated to have a value of $12,000,000.00.

Under the new Materials Management Policy, any award of contract for professional engineering services greater than $10,000,000.00 will require the approval of the Standing Policy Committee. As the last scheduled Committee meeting before the summer prorogue period is July 6, 2004, it is requested that the authority to make the award be delegated by Council resolution to the Chief Administrative Officer. This delegation would allow for these three major engineering assignments to commence at the same time, remain synchronized with each other and maintain the end of 2007 as the target for the water treatment plant commissioning.

The Chief Administrative Officer will consult with the Chairperson of the Standing Policy Committee on Public Works prior to awarding a contract for the water treatment plant design consultant services.

FINANCIAL IMPACT:

The following financial impact statement for this project has been prepared in accordance with the recommendation adopted by Council on December 13, 2000.

Financial Impact Statement **Date:** June 18, 2004

Project Name:

DELEGATION OF AUTHORITY TO THE CHIEF ADMINISTRATIVE OFFICER TO AWARD A TIME SENSITIVE CONTRACT EXCEEDING $10,000,000.00 DURING THE PERIOD OF JULY 22, 2004 TO SEPTEMBER 13, 2004

COMMENTS:

There is no financial impact associated with this recommendation. At the time of the recommendation of award a financial impact statement will be prepared.

Moira L. Geer C.A.
Manager of Finance and Administration

IN PREPARING THIS REPORT THERE WAS CONSULTATION WITH AND CONCURRENCE BY: N/A

THIS REPORT SUBMITTED BY:

Water and Waste Department
Engineering Division
Prepared by: R. A. Sorokowski, P. Eng.
File No. 020-18-29-05-00