

**SUBJECT:** Staff Awarded Contracts, under the Federal Stimulus Program for the Months of August and September 2009  
**PREPARED BY:** Alex Moore, Ext. 4711

**RECOMMENDATION:**

1. THAT the report entitled "Staff Awarded Contracts, under the Federal Stimulus Program for the Months of August and September 2009" be received;

And that Staff be authorized and directed to do all things necessary to give effect to this resolution

**EXECUTIVE SUMMARY:**

Council at its meeting of May 26<sup>th</sup>, 2009 amended By-Law 2004-341, A By-Law Establishing Procurement, Service and Disposal Regulations and Policies. The By-Law delegate's authority to staff to award contracts with a monthly information report required to be submitted to Council by the Treasurer for all contracts awarded by staff >\$50,000

**PURPOSE:**

To inform Council of contracts awarded by staff, under the Federal Stimulus Program, for the Months of August and September 2009 as per Purchasing By-Law 2004-341 as listed below.

**OPTIONS/DISCUSSIONS:**

Purchasing By-law 2004-341 was amended on May 26<sup>th</sup>, 2009 that included increase in authority limits for contracts awarded by staff without any monetary limits while ensuring all criteria is met.

The following criteria must be met to enable award of contracts by staff without monetary limits and increased award authority levels:

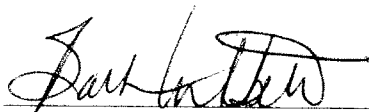
- The award is to the lowest priced bidder
- The award of the contract is within the approved budget
- The award results from the normal tendering process of the Town
- The term of the contract is for a maximum of 4 years
- There are no litigation between the successful bidder and the Town
- There are no bidder protests at the time of contract award

**Community & Fire Services (Outside Criteria)**

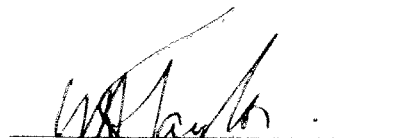
Award Details	Description
Highest Ranked / Lowest Priced Supplier	<ul style="list-style-type: none"> <li>• 220-Q-09 Project Management Services for Stimulus Energy Retrofit Project</li> <li>• 221-Q-09 Project Management Services for Thornhill CC &amp; Library</li> </ul>
Highest Ranked / Third Lowest Priced Supplier	<ul style="list-style-type: none"> <li>• 189-R-09 Architectural Design Services for additions / Renovations to Thornhill CC</li> </ul>
Preferred Supplier	<ul style="list-style-type: none"> <li>• 205-S-09 Energy Retrofit and Green Energy Initiatives</li> </ul>

**Development Services (Outside Criteria)**

Award Details	Description
Preferred Supplier	<ul style="list-style-type: none"> <li>• 262-S-09 Design and Contract Administration Services for Angus Glen Tennis Courts and Structure</li> </ul>

**RECOMMENDED BY:**


Barb Cribbett,  
Treasurer



Andy Taylor,  
Commissioner, Corporate Services



**(OUTSIDE CRITERIA)**

To:	John Livey, Chief Administrative Officer
Re:	220-Q-09 Project Management Services for Stimulus Energy Retrofit Project
Date:	August 21, 2009
Prepared by:	Phoebe Fu, Manager, Capital ROW, Ext. 3010 Tony Casale, Senior Buyer, Ext. 3190

**RECOMMENDATION**

Recommended Supplier	O.P. McCarthy & Associates Inc. (Highest ranked and lowest priced Supplier)	
Current Budget Available	\$ 125,000.00	056-5350-9517-005 Facility Energy Retrofits Project Management component of the budget (see financial details)
Less cost of award	\$ 124,680.00	Total Cost of Award, Exclusive of GST
Budget Remaining after this award	\$ 320.00	*

\* Remaining balance will be used for the balance portion of the budgeted project.

**PURPOSE**

To obtain approval to award the contract for Project Management Services for Stimulus Energy Retrofit.

**BACKGROUND**

The Town released a quotation to the four (4) pre-qualified consultants to plan, coordinate, manage and control all aspects of the Stimulus Energy Retrofit project. The quotation includes providing all of the necessary personnel and resources to complete the project under the direction of the Town of Markham's Project Manager.

The project management firm will oversee Stimulus Energy Retrofit as part of the Federal Stimulus Package to reduce energy and water consumption at the following facilities;

- Thornhill Community Centre
- Angus Glen Community Centre
- Morgan Outdoor Pool
- Rouge River Community Centre and Outdoor Pool
- Thornlea Pool
- Armadale Community Centre
- Markham Civic Centre
- Markham Village Library
- 8100 Warden Avenue

In addition to retrofits at these facilities the energy retrofit project includes establishment of a centralized remote monitoring and control system at 8100 Warden Avenue to integrate existing building systems at Angus Glen Community Centre, Armadale Community Centre, Milliken Mills Community Centre, Thornhill Community Centre, Centennial Community Centre, Varley Art Gallery, Civic Centre, Markham Village Library and 8100 Warden Avenue. This centralized system will be managed by this project management firm.

**PRE-QUALIFICATION INFORMATION (180-P-09)**

The Town released a pre-qualification to the market place soliciting responses from qualified consultants and/or contractors to provide project management services for various facility construction, addition and renovation projects that are to be undertaken by the Town within the next three years. The prequalification was issued in accordance with the Purchasing By-Law 2004-341.

**PRE-QUALIFICATION INFORMATION (180-P-09)**

Advertised	ETN
Prequalification closed on	June 26 <sup>th</sup> , 2009
Number of contractors picking up bid documents	52
Number of contractors responding to bid	7
Number of contractors pre-qualified	4

**BID INFORMATION (220-Q-09)**

Quote release to pre-qualified bidders	July 24, 2009
Bid closed on	August 14, 2009
Number of pre qualified bidders	4
Number responding to the bid	4

**PROPOSAL EVALUATION**

The Evaluation Team was comprised of staff from Asset Management, with purchasing staff acting as the facilitator. The evaluation was evaluated based on pre-established evaluation criteria as listed in the Request for Quotation: 20% qualifications and past experience of the project manager and 80% price totaling 100% with the resulting scores as follows.

Consultants	Total Score Out of 100	Rank
O.P. McCarthy & Associates Inc.	95	1
Sims Moelich Associates Ltd.	70.56	2
Genivar	63.53	3
MHPM Project Managers Inc.	39.85	4

Prices received from the four bidders ranged from \$124,680.00 - \$187,250.00 respectively.

**FINANCIAL DETAILS:**

Below is a preliminary budget breakdown of the Energy Retrofit and Green Initiatives Budget

Project Management	\$ 125,000
Consultant	\$ 60,000
Community Centre lighting retrofits	\$ 200,000
Varley Art Gallery Boiler	\$ 100,000
ESCO implementation	\$2,400,000
Contingency	\$ 115,000
<b>TOTAL</b>	<b>\$3,000,000</b>



STAFF AWARD REPORT

(OUTSIDE CRITERIA)

To:	John Livey, Chief Administrative Officer
Re:	221-Q-09 Project Management Services for Thornhill CC & Library
Date:	August 20, 2009
Prepared by:	Phoebe Fu, Manager, Capital ROW, Ext, 3010 Tony Casale, Senior Buyer, Ext, 3190

**RECOMMENDATION**

Recommended Supplier	Sims Moelich Associates Ltd. (Highest ranked and lowest priced Supplier)	
Current Budget Available	\$ 430,000.00	070-5350-9515-005 Thornhill Community Centre & Library Renovation Budget allocated for Project Management (see financial details)
Less cost of award	\$ 123,000.00	Total cost of award exclusive of GST
Budget Remaining after this award	\$ 307,000.00	*

\* The remaining budget will be used for construction costs if necessary.

**PURPOSE**

To obtain approval to award the contract for Project Management Services for Thornhill CC & Library.

**BACKGROUND**

The Town released a quotation to the four (4) pre-qualified consultants to plan, coordinate, manage and control all aspects of the Thornhill CC & Library Additions / Renovations project under the direction of the Town's Project Manager by providing all of the necessary personnel and resources to complete the project.

The project management firm will oversee the additions and renovations at the Thornhill CC and Library as approved under the Federal Stimulus package.

**PRE-QUALIFICATION INFORMATION (180-P-09)**

The Town released a pre-qualification to the market soliciting responses from qualified consultants to provide project management services for various facility construction and addition and renovation projects that are to be undertaken by the Town of Markham within the next three years. Due to the scope of the project, contractors were pre-qualified to ensure that all bidders would have the necessary qualifications, experience and resources to complete the work in accordance with the Town of Markham requirements within the specified timelines. The prequalification was issued in accordance with the Purchasing By-Law 2004-341.

**PRE-QUALIFICATION INFORMATION (180-P-09)**

Advertised	ETN
Prequalification closed on	June 26 <sup>th</sup> , 2009
Number of contractors picking up bid documents	52
Number of contractors responding to bid	7
Number of contractors pre-qualified	4

**BID INFORMATION (221-Q-09)**

Quote released to pre-qualified bidders	July 24, 2009
Bids closed on	August 12, 2009
Number of pre qualified bidders	4
Number responding to the bid	4

**PROPOSAL EVALUATION**

The Evaluation Team was comprised of staff from Asset Management with purchasing staff acting as the facilitator. The evaluation was evaluated based on pre-established evaluation criteria as identified in the Request for Quotation: 20% qualification and past experience of the project manager and 80% price totaling 100% with the resulting scores as follows.

<b>Consultants</b>	<b>Total Score Out of 100</b>	<b>Rank</b>
Sims Moelich Associates Ltd.	<b>89</b>	<b>1</b>
O.P. McCarthy & Associates Inc.	66.35	2
Genivar	60.29	3
MHPM Project Managers Inc.	24.39	4

Prices received from the four bidders ranged from \$123,000.00 – \$208,000.00 respectively.

**FINANCIAL DETAILS**

Below is the budget allocation for the Thornhill Community Centre & Library Renovation in accordance to the Project Charter:

Construction	\$4,000,000
Contingencies	\$ 400,000
Architect	\$ 400,000
Project Management	\$ 430,000
Inspection	\$ 30,000
Fees	\$ 30,000
<u>FF&amp;E</u>	<u>\$ 710,000</u>
 Total	 \$6,000,000



STAFF AWARD REPORT

**(OUTSIDE CRITERIA)**

To:	John Livey, Chief Administrative Officer
Re:	189-R-09 Architectural Design Services for additions / Renovations to Thornhill CC
Date:	July 31, 2009
Prepared by:	Michael Shatil, Manager, Facilities Ext, 2379 Alex Moore, Manager, Purchasing Ext, 4711

**RECOMMENDATION**

Recommended Supplier(s)	WK Lim Architects (Highest Ranked and 3 <sup>rd</sup> Lowest Priced Supplier)	
Budget Available	\$6,000,000.00	070-5350-9515-005 Thornhill CC & Library Renovation
Less cost of award	\$ 309,000.00	Architectural Services
	\$ 14,000.00	OBC Peer Review
	\$ 10,000.00	Site Plan Application
	\$ 333,000.00	Total award (Exclusive of GST)
Budget Remaining after this award	\$5,667,000.00	*

\*The remaining balance will be used for construction, project management, internal fees, and furniture, fixtures and equipment.

**PURPOSE**

The purpose of this report is to recommend the engagement of a consultant to provide Architectural/Engineering Services for the design and construction of the Thornhill CC Additions / Renovations.

**BACKGROUND**

The Request for Proposal (RFP) was released for Architectural companies that have the knowledge, experience and expertise to design the new structure and provide specifications and drawings for the renovations at the Thornhill CC as part of the Federal Stimulus package.

The Thornhill CC Architect will be required to design the construction of a new extension, of approximately three thousand two hundred sixty square feet (3,260 sq. ft.), on the south east corner of the Thornhill Community Centre, renovations to the basement (lower level), of approximately ten thousand eight hundred eighty square feet (10,880 sq.ft.) and various renovations to the library of approximately fifty five hundred square feet (5,500 sq ft.).

**BID INFORMATION**

Advertised, place and date	ETN
Bids closed on	July 10, 2009
Number of bidders picking up bid documents	74
Number of bidders responded to bid	7

**PROPOSAL EVALUATION**

The evaluation team was comprised of staff from Asset Management, Recreation and Library with Purchasing staff acting as the facilitator. The evaluation was based on pre-established evaluation criteria as listed in the RFP: 30% past experience of contractor firm and similar related projects in the past 5 years, 20% qualifications of the project lead and design team, 5% organizational structure, 10% project methodology and accountability and 30% price and an additional 15% for internal and external references for the two (2) highest ranked proponents with the resulting scores as follows:

Consultants	Score	Ranking
<b>WK Lim Architect Inc.</b>	<b>95.13</b>	<b>1</b>
WGD Architects Inc.	88.90	2
Shoalts & Zaback Architects Ltd.	83.7	3
A.T.A. Architects Inc.	75.7	4
Petroff Partnership Architects	56.7	5
Kingsland Architects Inc.	54.8	6
Susan Freidrich Architects Inc.	48.3	7

Note: The prices ranged between \$248,500.00 - \$562,500.00 for all proponents.

WK Lim Architect Inc. is the recommended proponent who provided a well written proposal that had a complete understanding of the project, included integration, accountability, hazardous materials, building code and sprinkler requirements. They provided a project delivery methodology that included phased demolition to keep the project within the tight timelines (anticipated Substantial by January 1, 2011) and have excellent experience in similar type projects including recreation and library services.



STAFF AWARD REPORT

(OUTSIDE CRITERIA)

To:	John Livey, Chief Administrative Officer
Re:	205-S-09 Energy Retrofit and Green Energy Initiatives (Federal Stimulus)
Date:	August 18, 2009
Prepared by:	Michael Shatil, Manager, Facilities Ext. 2379 Alex Moore, Manager, Purchasing Ext. 4711

RECOMMENDATION

Recommended Supplier	Johnson Controls L.P. (Preferred Supplier) Siemens Building Technologies, Ltd. (Preferred Supplier)	
Current Budget Available for this item	\$2,400,000.00	056-5350-9517-005 - Implementation component of the budget (see financial details)
Less cost of award	\$ 49,201.00 \$ 57,790.00 \$106,991.00	Johnson Controls Siemens Building Technologies Ltd. Total (Upset limit)
Budget Remaining after this award	\$2,293,009.00	*

\* The remaining budget will be used for the Energy Retrofit and Green Energy Initiative implementation.

Staff further recommends:

THAT the tendering process be waived in accordance with Purchasing By-Law 2004-341, Part II, Section 7 Non Competitive Procurement, item 1 (g) where it is in the Town's best interest not to solicit a competitive bid.

PURPOSE

To award a contract to two (2) companies to provide a detailed feasibility study for the energy retrofit and green initiatives project approved by Council and partially funded by the Federal and Provincial Governments as part of the Federal Stimulus Plan.

BACKGROUND

Following the successful completion and satisfactory outcomes of Milliken Mills Energy Retrofit in 2007, the Town decided to pursue additional retrofits in its other facilities. Recently, Council approved moving forward with more energy saving initiatives in conjunction with Federal and Provincial Stimulus Package.

The project is expected to reduce energy, water consumption, fossil fuel consumption, building operational costs, provide a cleaner environment, provide long term sustainability and promote public awareness in energy efficiency in the following facilities:

- Thornhill CC
- Morgan Outdoor Pool
- Thornlea Pool
- Markham Civic Centre
- 8100 Warden Ave
- Angus Glen CC
- Rouge River CC & Outdoor Pool
- Armadale CC
- Markham Village Library

Ideas to be considered for implementation are as follows:

- Solar water/ air heating for all Town owned swimming pools with waste heat recovery
- Centralized monitoring/control of building systems
- Hi-efficiency heating and cooling system upgrade
- Electrical load reduction through application of high efficacy lighting, variable speed drives and sensors
- Instantaneous on-demand heating of water to reduce standby energy losses
- Replacement of single pane windows with more efficient (thermal) windows



In order to meet the requirements set out in the Federal Stimulus plan, Staff reviewed a number of options to facilitate the Purchase of the Energy Retrofit and Green Energy Initiatives.

**Traditional Method (Study, Evaluation, Design, Bid, Build)**

- a. The traditional methodology for project procurement would be to hire an energy consultant for an energy study (Cost approx \$150,000.00), evaluation of audit reports, selection of energy retrofit measures, hiring of design consultant to prepare design specification and tendering for Contractors. This methodology would likely fail to meet the project timeline of March 2011. This methodology also has a greater potential of overrunning budget, since the cost of retrofits would not be known until tender submission.

**Recommended Method (Design / Build)**

- b. Provide Energy Service Companies (ESCO) the ability to complete an entire concept report, perform an in-depth analysis of the properties, propose retrofit ideas, cost to the Town and payback information with staff evaluating each proposal and awarding the implementation to one or more of these companies, whichever option provides the best value to the Town. The successful ESCO(s) would design energy efficient solutions, install the required elements and maintain the system to ensure energy savings during the payback period.
- c. This methodology would allow the Town to secure the costs before a retrofit takes place, minimize the concern of completion timeframe since it would be a design build strategy and can secure project payback for a minimal premium, unlike in a traditional method noted above. Further, it will allow the Town the flexibility to choose the options that offer the best value in order for it to maximize its investment spend, maximize its return on investment, possibly accelerate the pay-back period and ensure that work is implemented and completed within the timeframes. The Town will hire a third party consultant to evaluate the submissions and provide aforementioned recommendations.

Staff met with three firms to discuss the energy retrofit and green energy initiatives; Johnson Controls L.P, Siemens Building Technologies, Ltd. and Honeywell. After further dialogue, Honeywell opted to withdraw from the process and advised the team forthright in writing.

Staff recommends awarding to both Johnson Controls L.P. and Siemens Building Technologies Ltd. for a detailed energy audit. The benefit of awarding to both firms is flexibility in that it will allow the Town to select the best options presented by each firm in order to obtain maximum energy savings at the least cost and hence the best value to the Town.

Staff met with Siemens Building Technologies, Ltd. and advised that the proposal should exclude any facility improvement measures that would not be feasible to be completed in the given time frame. In doing so, staff successfully negotiated a reduction of approximately twenty-five (25) percent (\$72,772.00 to \$57,790.00) from their original price

**FINANCIAL DETAILS:**

Below is a preliminary budget breakdown of the Energy Retrofit and Green Initiatives Budget

Project Management	\$ 125,000
Consultant	\$ 60,000
Community Centre lighting retrofits	\$ 200,000
Varley Art Gallery Boiler	\$ 100,000
ESCO implementation	\$2,400,000
Contingency	<u>\$ 115,000</u>
<b>TOTAL</b>	<b>\$3,000,000</b>



**(OUTSIDE CRITERIA)**

To:	John Livey, Chief Administrative Officer
Re:	262-S-09 Design and Contract Administration Services for Angus Glen Tennis Courts and Structure
Date:	August 26, 2009
Prepared by:	Linda Irvine, Manager, Parks and Open Space Development Ext. 2120 Tony Casale, Senior Buyer Ext. 3190

**RECOMMENDATION**

Recommended Supplier	Envision– The Hough Group (Preferred Supplier)	
Current Budget Available	\$1,700,000.00	* Federal Stimulus
Less cost of award	\$ 95,000.00	Design, Contract Administration and sub-consultants**
	\$ 9,500.00	Contingency (10%)
	\$ 104,500.00	Total Award
Budget Remaining after this award	\$1,595,500.00	

\* & \*\* Since budget has not been finalized for this Federal Stimulus project, Staff are requesting approval to commence the Design portion of this contract prior to the report being taken to Council on September 15<sup>th</sup>, 2009 Titled “ Recreation Infrastructure Canada (RInC) Fund Update”. In order to mitigate our financial risk, Staff will only proceed (release a PO) for project costs that do not exceed \$20,000 prior to receiving full funding approval from Council.

Staff recommends:

THAT the tendering process be waived in accordance with Purchasing By-Law 2004-341, Part II, Section 7 Non Competitive Procurement, item 1 (c) when the extension of an existing contract would prove more cost-effective or beneficial;

**PURPOSE**

To obtain approval to commence the design immediately and subject to budgetary approval, award the remaining contractual portion for design and contract administration of four tennis courts cover by a permanent enclosure at the Angus Glen Community Park.

**BACKGROUND:**

The Town of Markham received partnership funding through the Recreation Infrastructure Canada (RInC) Fund to construct four tennis courts and a “bubble” or permanent enclosure at the Angus Glen Community Park (total project cost is \$1,700,000). This project is required to be completed by March 2011.

In January 2009, Envision – The Hough Group, the highest ranked proponent through a competitive bidding process, was awarded the contract to provide landscape architectural consulting services for the design, working drawings and tender documents, contract administration and warranty inspection for Angus Glen Community Park. The Request for Proposal (177-R-08) was released to the marketplace, 15 bids were received and the highest ranked bidder for the proposal submission and interview process was Envision – The Hough Group.

Design work is underway on the Angus Glen Community Park, and various sub-consultants have been engaged. With the recent confirmation of partnership funding through the Recreation Infrastructure Canada (RInC) Fund, and the aggressive construction requirements of this economic stimulus funding program, staff recommend extending the contract with Envision – The Hough Group (part of Dillon Consulting) as a preferred supplier to ensure that we start this project immediately, that we can fast-track this project and meet the March 2011 construction deadline. Furthermore, adding this new work to their current scope of work for the Angus Glen Community Park is justifiable based on the project efficiencies that will be obtained related to design, expertise, time, scheduling and pricing. Furthermore, Envision – The Hough Group has an established track record with the Town. Since they are prime consultants on the on-going Angus Glen Community Park Project, staff recognized the synergies and cost benefits to awarding this new work to them.

Consequently, staff requested a fee proposal for design, contract documents and contract administration including warranty inspections from Ian Dance, Partner, Dillon Consulting, for the new scope of work based on the competitive pricing received in their original fee proposal. Staff were successful in negotiating a reduced fee of \$95,000 (down from \$108,800) for this new work resulting in a cost reduction of \$13,800. The fee proposal of \$95,000 represents a 5.5% design and contract administration costs for a \$1,700,000 construction project. This percentage fee is lower than the fee range which staff would expect for a project of this size (i.e. 6-10%).

