



Report to: General Committee

Date Report Authored: November 20, 2009

SUBJECT: Pre-qualification of General Contractors for the East Markham Community Centre & Library

PREPARED BY: Alex Moore, Ext. 4711

RECOMMENDATION:

- 1) That the report titled "Pre-qualification of General Contractors for the East Markham Community Centre & Library" be received;
- 2) And That Staff be authorized to release the Pre-qualification document for East Markham Community Centre & Library with the set procedure identified within this report;

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

PURPOSE:

The purpose of this report is to request Council approval to release a pre-qualification document for general contractors on the East Markham Community Centre & Library (EMCC&L).

BACKGROUND:

On June 23rd, 2009 Council authorized Staff to proceed with the preparation of detailed design drawings, technical specifications and contract document for the East Markham Community Centre & Library (EMCC&L) and the associated parking garage structure.

To ensure the contractors bidding on this tender are qualified to undertake a project of this magnitude and complexity and as such, staff consider it necessary to pre-qualify the general contractors.

The purpose of the pre-qualification is to compile a list of suppliers who conform to established criteria, demonstrate and provide details on their background, capabilities, expertise and have the ability to provide the resources to satisfactorily complete the work required.

OPTIONS/DISCUSSIONS

The following is the recommended approach to pre-qualify, evaluate and shortlist the general contractors for the East Markham Community Centre & Library (EMCC&L).

The steps that will be involved within the process of pre-qualification are:

1. Publicly advertise the pre-qualification document to the market place
2. Include details of the project and evaluation within the pre-qualification document
3. Identify submission requirements within the pre-qualification document
4. Include within the document the criteria and relative weighting for each criteria against which the submissions will be evaluated
5. Compile shortlist of qualified general contractors
6. Invitation to bid for shortlist general contractors

Each Step is described in more detail:

1. Publicly advertise the pre-qualification document to the market place through newspaper advertising, electronic bidding network (Biddingo) and if necessary, contacting major contractors of this opportunity.
2. The pre-qualification document will summarize the project in terms of content, scope, proposed size and schedule. Also, advise the proponents of both mandatory and other submittal requirements with a description of the evaluation process.
3. The mandated submission requirements included within the document will be confirmed by Purchasing before the document is evaluated, which will include WSIB clearance certificate, health & safety policy, insurance and bonding verification. Additionally, the general contractor will be required to provide evidence to the Town that they have instructed their bank to provide financial information on their company to the Town as required. In addition, the general contractor principals will be required to submit a confidential statement describing any pending litigation with the Town and or others. The Town's purchasing by-law states in Section 3 (15) that when a vendor is pursuing a claim against the Town in contract, tort or negligence, the vendor shall not be eligible to respond to any quotation, unless the CAO determines that it is in the best interest of the Town to permit the vendor to respond. Therefore, a response in the confidential letter that indicates litigation is pending against the Town could disqualify the vendor immediately, or the CAO could determine, on a case by case basis, that it is in the Town's best interest to allow the vendor to respond to the pre-qualification and continue into the evaluation phase.

Other relevant information that will be required and submitted are: firm description, proposed construction team with current curriculum, years in business, current construction projects underway, key staff at the management and site level; a statement of the proponents construction safety policy/approach, a statement of project management approach, specific project references from other owners and the consultants that the proponent has worked with in the past.

4. The submissions will be scored with the standard criteria outlined below and will be the primary considerations to be used in the evaluation, determination and subsequent selection of pre-qualified proponents.

4.1 Technical Capability (CCDC 11) (35%)

- Contractor's qualification statement must provide a summary of at least two (2) "Similar Projects", of construction value equal to or greater than forty million (\$40m) dollars at the time of the contract award and constructed in the Province of Ontario. Each Proponent shall also provide details of three (3) other Similar Projects that it deems are comparable in size (but can be less than \$40m) and/or complexity to the East Markham Community Centre and Library. Proponents are required to include the following information for each Similar Project:
 - A brief description of the Similar Project, including construction value.
 - The name of the electrical and mechanical sub-contractor(s) on each of the projects.
 - The names of the principal contact representing the Client, and the Prime Consultant, complete with telephone numbers and other contact information.

For clarification purposes, examples of "Similar Projects" are considered to be municipal use facilities, such as Community Centres, Libraries, Art Galleries, Aquatic Sports Centres, Performance Venues, Universities or Colleges, that incorporate public use, pool, gymnasium, library, fitness centre, rehearsal hall, or multi-use rooms

4.2 Qualification of Team (35%)

- Organizational chart of the construction team assigned to the project. The Project Manager, Site Superintendent and Field/Office Coordinator and other personnel. Resume, References and past project experience are required for each Key Personnel.

4.3 Understanding of the project (10%)

- General contractors are required to provide a description of their understanding of this project, and provide comments on perceived construction related issues or sensitivities with recommendations that could mitigate any potential risks.

4.4 Health and Safety Policy (10%)

- Health and Safety policy that provides information on safety performance to ensure that the general contractor takes every precaution for the protection of all workers associated with the work being performed.

4.5 Quality Control and Management (10%)

- General Contractors are required to describe the means and measures employed by their firm to manage and control quality on projects. Include details on selection of sub-trades, construction coordination, inspection and testing, avoidance of delays, ensuring quality workmanship, identification and correction of deficiencies, change order process, supervision, site safety and security, management of project related documents, project management methodology and management of project closeout.

The pre-qualification document will provide the Town the authority to accept general contractors who achieve a minimum scoring of 75 points out of 100 points. However, the Town will reserve the right to limit the number of General Contractors that will be pre-qualified under this pre-qualification process. In the event that fewer than four (4) General Contractors attain the minimum 75 points under this pre-qualification process, the Town reserves the right, in its sole discretion, to cancel this pre-qualification process.

General contractors who achieve a minimum scoring of 75 points will have financial reference checks conducted to ensure they are in good standing with the bank, and have been in good standing for a period no less than five (5) years. Also, ensure they have available an unencumbered borrowing capacity and in the bank's opinion have the financial capability to undertake this project.

General contractors who achieve a minimum scoring of 75 points will have reference checks and past performance information conducted. General contractors who do not receive satisfactory reference checks, indicate sufficient financial capability or past performance information will be disqualified.

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5. The process and results – pre-qualification issues, responses, evaluation and recommendation will be documented by Purchasing and the short listed companies will be invited to bid on the construction tender.
 6. When the project is issued for tender, the invitations to bid will be sent to the short-listed general contractors as above. These short listed general contractors will receive notification in writing and will be the only general contractors allowed to bid on the tender document.

FINANCIAL CONSIDERATIONS AND TEMPLATE: (external link)

There are no financial requirements for the pre-qualified process.

HUMAN RESOURCES CONSIDERATIONS

Not Applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

This project will be designed with sustainability and environmental considerations and will meet LEED Silver certification. The pre-qualification document will include requirements of contractors to provide a brief on their understanding of a sustainable design approach. Identify all project(s) that they have worked on that have incorporated a sustainable design approach and discuss how sustainability and environmental considerations were incorporated into the project(s). The contractors will be required to identify all projects completed with a level of LEED certification, and, if certification was achieved.

BUSINESS UNITS CONSULTED AND AFFECTED:

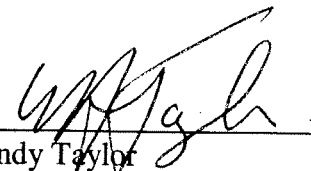
The evaluation committee shall consist of staff from Asset Management, External Project Manager (MHPM), Architect (Shore Tilby Irwin and Partners (STIP)), Recreation and Library Staff with Purchasing acting as the facilitator.

Finance, Legal, Asset Management, External Project Manager (MHPM) and Architect (STIP) have been involved in preparing and reviewing the pre-qualification document.

RECOMMENDED

BY:

Barb Cribbett
Treasurer



Andy Taylor
Commissioner, Corporate Services

