



## The Regional Municipality of Durham Report

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To: Works Committee  
From: Acting Commissioner of Works  
Report: #2024-W-13  
Date: April 3, 2024

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**Subject:**

Additional Financing for the Award of Request for Proposal # 1088-2023 for Engineering Services for Ajax Zone 1 Water Storage Facility, Harwood Avenue Water Pumping Station - modifications to maximize water supply availability from Whitby-Oshawa-Courtice System and the potential for additional onsite storage for the pumping station to manage transient pressures in the Town of Ajax

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**Recommendations:**

That the Works Committee recommends to Regional Council that financing for Engineering Services for the Ajax Zone 1 Water Storage Facility, Harwood Avenue Water Pumping Station modification project, in the Town of Ajax be provided from the approved project budget and the reallocation of funds as follows:

Previously Approved Funding Zone 1 Water Storage Facility  
(Project ID: D1911)

Residential Development Charges	\$1,812,000
Commercial Development Charges	\$52,400
Industrial Development Charges	\$45,600
User Revenue	\$90,000
Total Approved Financing	\$2,000,000

Reallocation of funding from the following source:

Zone 3 feedermain on Garrard Rd. from north of the Mid-Block Arterial to Winchester Rd., Whitby (Region's Share) (Project ID: D2409)

Residential Development Charges	\$2,870,600
Commercial Development Charges	\$89,900
Industrial Development Charges	\$117,800
User Revenue	<u>\$21,700</u>

Total Additional Financing	<u>\$3,100,000</u>
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<b>Total Revised Project Financing</b>	<b><u>\$5,100,000</u></b>
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## Report:

### 1. Purpose

1.1 The purpose of this report is to provide details and seek approval for the reallocation of additional financing to award Regional Municipality of Durham RFP-1088-2023 to Jacobs Consultancy Canada Inc. to provide engineering services for Ajax Zone 1 Water storage facility, Harwood Avenue Water Pumping Station in the Town of Ajax.

1.2 Dollar amounts followed by an asterisk (\*) include disbursements and are before applicable taxes.

### 2. Background

2.1 The Harwood Avenue Water Pumping Station (WPS) is located at 144 Rossland Road East in the Town of Ajax. The Harwood Avenue WPS has operated for over 42 years to service the Pickering/Ajax water distribution system pressure zones 1 and 2 and facilitates the treated water transfer to the Whitby/Oshawa/Courtice distribution system.

2.2 This project intends to modify the Harwood Avenue WPS to maximize the water supply availability from the Whitby-Oshawa-Courtice System and review the need for additional water storage on the current site to control dynamic fluctuations due to disruptions within the pressurized system. The proposed project will also improve operational efficiency and overall reliability and serviceability at the water pumping station.

- 2.3 As part of consistent efforts to achieve service excellence in treated water supply in the Pickering/Ajax and Whitby/Oshawa/Courtice system, the modifications to maximize water supply and manage transient pressure will be assessed by reviewing conditions for safe water supply, operational needs, and maintenance needs.

### **3. Request for Proposal #1088-2023**

- 3.1 RFP-1088-2023: Engineering Consulting Services for the Harwood Avenue Water Pumping Station - modifications to maximize water supply availability from the Whitby-Oshawa-Courtice System and potential addition of onsite storage at the pumping station to manage transient pressures in the Town of Ajax was issued and advertised publicly on December 15, 2023, through the Region's website.
- 3.2 The RFP closed on February 15, 2024, with one proposal received from Jacobs Consultancy Canada Inc.
- 3.3 The evaluation committee evaluated the proposals using the evaluation criteria specified in the RFP. The Purchasing Section of the Finance Department oversaw the evaluation process.
- 3.4 The proposal was evaluated against the following evaluation criteria:
- Project Team (20%)
  - Project Management (25%)
  - Project Workplan (45%); and
  - Financing Pricing (10%).
- 3.5 Based on an overall technical and financial evaluation of the proposals by the evaluation committee, it is recommended that the highest scoring and only proponent, Jacobs, be awarded the contract for engineering services for the Ajax WSP Expansion and Upgrades to the Harwood Avenue Water Pumping Station modifications to maximize water supply availability from the Whitby-Oshawa-Courtice System and to support the potential addition of on-site water storage at the pumping station with the aim of managing potential transient pressure variations in the Town of Ajax for an upset limit not to exceed \$22,184,710\*.

- 3.6 The project is comprised of 2 components, the Ajax WSP Expansion, and the Harwood Pumping Station Improvements. The Ajax component of the assignment, \$17,263,363\*, can be funded from the approved 2024 Water Supply System Capital Budget. The Harwood Pumping Station component of the assignment, \$4,921,347\*, requires supplementary funding as the amount required exceeds the approved 2024 Water Supply System Capital Budget.
- 3.7 A detailed scope of work for the transient analysis and investigation component of the assignment was provided within the Request for Proposal. This effort is substantial, as numerous flow scenarios must be modelled and analyzed to identify potential design solutions for implementation. Several water infrastructure projects have required advancement because of housing targets, and as such, this effort was not contemplated at the time of budget development. The ongoing repair efforts at the Oshawa Water Supply Plant and the expansion of the Whitby Water Supply Plant have created additional operational scenarios that must be analyzed. Environmental Assessment activities for the Harwood Pumping Station have allowed for a high level of potential public interaction. These efforts, along with current market rates for engineering services consummate with the requested experience requirements within the Request for Proposal, have resulted in the need for funding that exceeds the approved budget.
- 3.8 Other Regional Municipalities in the Greater Toronto Area (GTA) have advised that they are experiencing a significant reduction in the number of consultants and contractors submitting bids for water and wastewater projects, which is because of industry capacity due to the significant growth pressures in the GTA and the compressed implementation timelines.

#### **4. Financial Implications**

- 4.1 Section 15.3 of the Region of Durham's Budget Management Policy requires approval of the applicable Standing Committee and Regional Council for additional project financing requirements exceeding \$250,000 prior to the award of the applicable contract.

- 4.2 The recommended revised project budget of \$5,100,000 can be financed as follows:

Approved 2024 Water Supply Capital Budget

Item No. 178 Zone 1 Water Storage Facility (Project ID: D1911)

Residential Development Charges	\$1,812,000
Commercial Development Charges	\$52,400
Industrial Development Charges	\$45,600
User Revenue	<u>\$90,000</u>
Total Approved Financing	\$2,000,000

Additional Financing:

2024 Water Supply System Capital Budget

Item No. 129 Garrard Rd. from north of the Mid-Block Arterial to Winchester Rd., Whitby (Region's Share) (Project id: D2409)

Residential Development Charges	\$2,870,600
Commercial Development Charges	\$89,900
Industrial Development Charges	\$117,800
User Revenue	<u>\$21,700</u>
Total additional Financing	<u>\$3,100,000</u>
<b>Total Revised Project Financing</b>	<b><u>\$5,100,000</u></b>

- 4.3 The Zone 32 Feedermain – Garrard to Winchester project (Item 129 Garrard Rd. from north of the Mid-Block Arterial to Winchester Road, Whitby) has been deferred as the development will not be proceeding this year. Financing for the deferred project will be requested as part of the 2025 Business Plans and budget process.

## 5. Relationship to Strategic Plan

- 5.1 This report aligns with the following strategic goals and priorities in the Durham Region Strategic Plan:
- Service Excellence Goal 5.1: Optimize resources and partnerships to deliver exceptional quality services and value.

- Service Excellence Goal #5.4: Drive organizational success through innovation, a skilled workforce, and modernized services.

## **6. Conclusion**

- 6.1 It is recommended that Regional Council approve the award of Request for Proposal # 1088-223 for Engineering Services for the Ajax Zone 1 Water Storage Facility, Harwood Avenue Water Pumping Station modification project to the lowest compliant bidder, Jacobs Consultancy Canada Inc.
- 6.2 It is also recommended that additional financing of \$3,100,000, be approved as detailed in this report.
- 6.3 This report has been reviewed by the Finance Department and the Commissioner of Finance concurs with the recommendations.
- 6.4 For additional information, contact: Michael Harris, Manager, Design Contracts Environmental Services, at 905-668-7711 extension 3458.

Respectfully submitted,

### **Original signed by:**

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Ramesh Jagannathan, MBA, M.Eng., P.Eng., PTOE  
Acting Commissioner of Works

Recommended for Presentation to Committee

### **Original signed by:**

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Elaine C. Baxter-Trahair  
Chief Administrative Officer