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The Regional Municipality of Durham Report

To: Works Committee
From: Commissioner of Works
Report: #2024-W-26
Date: December 4, 2024

Subject:

Sole Source Procurement of Engineering Services for the Detailed Design of Intersection Improvements at Bayly Street (Regional Road 22) and Sandy Beach Road in the City of Pickering

Recommendation:

That the Works Committee recommends to Regional Council:

- A) That staff be authorized to award a sole source engineering services agreement to T.Y. Lin International Canada Inc. to undertake the detailed design of intersection improvements at Bayly Street (Regional Road 22) and Sandy Beach Road, in the City of Pickering, for an amount not to exceed \$310,000, subject to the approval of additional financing for the project in the proposed 2025 Business Plans and Budgets; and
 - B) That the Commissioner of Finance be authorized to execute the necessary documents related to the sole source agreement.
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Report:

1. Purpose

- 1.1 The purpose of this report is to seek Regional Municipality of Durham (Region) Council approval to award a sole source for engineering services to T.Y. Lin International Canada Inc. (TYLin) to undertake the detailed design of intersection improvements at Bayly Street (Regional Road 22) and Sandy Beach Road, in the City of Pickering (Pickering).
- 1.2 Dollar amounts followed by an asterisk (*) are before applicable taxes.

2. Background

- 2.1 Pickering has retained TYLin to complete a detailed design assignment for the reconstruction of Sandy Beach Road extending from Bayly Street south to Montgomery Park Road.
- 2.2 Pickering has construction funding approved to complete the Sandy Beach Road reconstruction. It is anticipated that the tender will be distributed in late 2025 with construction to commence in Spring 2026. Pickering completed a Request for Proposal (RFP) in April 2017 for the Sandy Beach Road Environmental Assessment, Detailed Design and Contract Administration/Field Inspection Services. In June 2017, Pickering awarded the Request for Proposal to The Municipal Infrastructure Group Ltd. (See Attachment #1 City of Pickering Report to Executive Committee (ENG 12-17)). In March 2022, The Municipal Infrastructure Group Ltd. changed its name to T.Y. Lin International Canada Inc. (TYLin). Pickering's original assignment did not include detailed design for the intersection improvements at Bayly Street and Sandy Beach Road as the Region was not involved in the original RFP process.
- 2.3 Funding for the intersection improvements at Bayly Street and Sandy Beach Road in the amount of \$250,000 was previously approved in the Regional Capital Road Program budget. Additional funding totalling \$450,000 is being proposed in the 2025 Regional Road Program to award the sole source engineering services agreement, provide internal staff time to manage the consultant, and for utility relocations. The execution of the sole source engineering services agreement is contingent on the approval of this additional funding. The improvements at the Bayly Street and Sandy Beach Road intersection are planned to include a realignment of the north leg of the intersection to correct the existing offset north-south lane alignment, addition of northbound and southbound left-turn lanes, introduction of a median island on the east leg of the intersection to improve east-west lane alignment and improve traffic signal head visibility, and bringing the intersection up to current accessibility standards.
- 2.4 The 2024 Regional Capital Road Program forecasts construction funding for the Bayly Street and Sandy Beach Road intersection improvements in 2028. Forecasted construction funding is being brought forward to 2026 as part of the 2025 Regional Capital Road Program to align with the construction timing of Pickering's Sandy Beach Road reconstruction project.

2.5 The ultimate deliverable of TYLin's detail design assignment will be to produce a single construction contract for Pickering's reconstruction of Sandy Beach Road which will include the intersection improvements at Bayly Street. This is being proposed to minimize future reconstruction and disruption of the intersection.

3. Sole Source Justification

3.1 Retaining TYLin for the detail design for the intersection improvements at Bayly Street and Sandy Beach Road, while completing the design for the Sandy Beach Road reconstruction presents the following benefits:

3.2 Engaging a single consultant will provide an accelerated and seamless design and take advantage of the synergies between Pickering and the Region.

3.3 A single consultant will also streamline utility relocation work and ensure utility relocation plans account for both projects concurrently to avoid duplication of work.

3.4 Retaining a different consultant for the intersection improvements at Bayly Street and Sandy Beach Road is impractical, as the road design process is very dynamic and having two separate consultants coordinating overlapping designs would require complete integration of each of the consultants' design processes.

3.5 Combining the design of the Sandy Beach Road reconstruction and the Bayly Street intersection improvements into a single construction contract designed by TYLin will save cost, time, and limit public disruption by avoiding repeated construction at the intersection. This also benefits the overall road network by having the intersection operating in its improved configuration sooner than forecasted.

4. Proposed Engineering Services

4.1 The estimated engineering fee of \$310,000 includes the following services:

- Project Management;
- Coordination with Pickering and other key stakeholders;
- Topographic survey;
- Subsurface utility investigations, mapping, and coordination for relocations;

- Road design, including traffic safety;
- Geotechnical and geo-environmental investigations, reporting and design;
- Traffic signal design;
- Traffic and construction staging design;
- Contract specification preparation; and
- Additional services as required by the project.

4.2 The hourly staff rates quoted by TYLin for this assignment are comparable to the hourly rates paid for other competitively bid assignments undertaken by consultants on behalf of the Region.

5. Financial Implications

5.1 Section 8.4.2 of the Region's Purchasing By-law Number 16-2020 requires approval of Regional Council to award an assignment as a sole source where the project or annual value of a consulting or professional service assignment is expected to be \$100,000 or greater. Utilizing a second consultant for the additional design work at the Bayly Street and Sandy Beach intersection that was not included in the initial procurement by the City of Pickering would cause substantial duplication of costs.

5.2 Financing for the procurement of the engineering services estimated at \$310,000 is to be provided from the approved project budget (Project ID R2001) after Regional Council's approval of the 2025 Regional Road Program.

6. Relationship to the Strategic Plan

6.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

- a) Economic Prosperity Goal #3.3: Enhance communication and transportation networks to better connect people and move goods more effectively.
- b) Service Excellence Goal #5.1: Optimize resources and partnerships to deliver exceptional quality services and value.

7. Conclusion

- 7.1 It is recommended that authorization be approved for the sole source engineering services agreement with T.Y. Lin International Canada Inc. for the detailed design of intersection improvements at Bayly Street (Regional Road 22) and Sandy Beach Road, in the City of Pickering, at an upset limit not to exceed \$310,000.
- 7.2 This report has been reviewed by the Finance Department, and the Commissioner of Finance concurs with the recommendations.
- 7.3 For additional information, contact: Reid McGregor, Manager, Transportation Design, at 905-668-4113, extension 3502.

8. Attachments

- 8.1 Attachment #1: City of Pickering Report to Executive Committee (ENG 12-17) Consulting Services for Sandy Beach Road Reconstruction

Respectfully submitted,

Original signed by:

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

Recommended for Presentation to Committee

Original signed by:

Elaine C. Baxter-Trahair
Chief Administrative Officer

From: Richard Holborn
Director, Engineering Services

Subject: Consulting Services for Sandy Beach Road Reconstruction
- Request for Proposal No. RFP-1-2017
- File: A-1440

Recommendation:

1. That Proposal No. RFP-1-2017, for Consulting Services for Sandy Beach Road Reconstruction; to include the Class Environmental Assessment, Detailed Design and Contract Administration/Field Inspection Services (Montgomery Park Road to Bayly Street) submitted by The Municipal Infrastructure Group Ltd. in the amount of \$649,594.06 (HST included) be accepted;
2. That the total gross project cost of \$749,558.00 (HST included), including the RFP amount, and associated costs, and the total net project cost of \$675,000.00 (net of HST rebate) be approved;
3. That Council authorize the Director, Finance & Treasurer to finance the net project cost of \$675,000.00 as follows:
 - a) The sum of \$300,000.00 as approved in the 2016 Capital Budget – Development Projects to be financed by an Internal Loan for 10 Years;
 - b) The sum of \$337,500.00 as approved in the 2016 Capital Budget – Development Projects to be funded by a transfer from the Development Charges Roads & Related Reserve Fund;
 - c) The additional sum of \$37,500.00 to be funded by a transfer from the Accelerated Infrastructure Program Reserve (AIP); and
4. That the appropriate officials of the City of Pickering be authorized to take the necessary actions as indicated in this report.

Executive Summary: As part of the 2016 Capital Budget – Development Projects, the completion of the Sandy Beach Road Environmental Assessment, Detailed Design and Contract Administration/Field Inspection Services was approved as a project.

Request for Proposal No. RFP-1-2017 was issued on April 5, 2017 and closed on May 4, 2017. The Evaluation Committee consisting of staff from the Engineering Services Department, reviewed and evaluated the six proposals received using criteria outlined in the Terms of Reference.

It is recommended by the Evaluation Committee that The Municipal Infrastructure Group Ltd. (TMIG) be retained to undertake the Class Environmental Assessment, Detailed Design and Contract Administration/Field Inspection Services of the Sandy Beach Road reconstruction at a cost of \$649,594.06 (HST included). The proposal cost provided by TMIG exceeds the approved budget and additional funds are required. The total net project cost (including proposal amount, TRCA permits, contingencies and net HST) is estimated to be \$675,000.00. Additional funding in the amount of \$37,500.00 will be required from a transfer from the Accelerated Infrastructure Program (AIP) Reserve.

In accordance with Section 10.04 of the Purchasing Policy, where the project cost of a consulting assignment is more than \$50,000.00, the award is subject to the approval of Council.

Financial Implications:

1. Proposal Amount

Proposal No. RFP-1-2017	\$574,862.00
HST (13%)	<u>74,732.06</u>
Total Gross Project Amount	<u>\$649,594.06</u>

2. Estimated Project Costing Summary

Proposal No. RFP-1-2017	\$574,862.00
Associated Costs	
Contingency (10%)	57,486.00
Toronto and Region Conservation Authority Permit Approval and Review Cost	<u>30,978.00</u>
Total	663,326.00
HST (13%)	<u>86,232.00</u>
Total Gross Project Costs	\$749,558.00
HST Rebate (11.24%)	<u>(74,558.00)</u>
Total Net Project Costs	<u>\$675,000.00</u>

3. Approved Source of Funds – 2016 Development Projects

Expenditure Account	Source of Funds	Budget	Required
5321.1609.6221	Internal Loan-10 Years	\$300,000.00	\$300,000.00
5321.1609.6221	DC Roads & Related Reserve Fund	300,000.00	337,500.00
Additional Funds Required	Accelerated Infrastructure Program (AIP) Reserve	<u>0.00</u>	<u>37,500.00</u>
Total Funds		<u>\$600,000.00</u>	<u>\$675,000.00</u>

Net project costs (over) under approved funds	(\$75,000.00)
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This project has an over expenditure that exceeds 10% of the approved amount. The over expenditure is primarily due to the inclusion of a 10% contingency provided to cover possible additional construction costs in the event of unforeseen circumstances, and costs associated with permit review and approval. This contingency may not be required.

In accordance with Section 11.04 of the City’s Financial Control Policy, over expenditures exceeding 10% of the approved capital expenditure shall require the approval of the Treasurer, the Chief Administrative Officer, and Council.

The Director, Finance & Treasurer concurs that the additional funds required will be funded from the AIP Reserve as this project is one of the projects included in the Accelerated Infrastructure Program.

Discussion: The 2016 Capital Budget – Development Projects, includes \$600,000.00 for the completion of the Sandy Beach Road Environmental Assessment, Detailed Design and Contract Administration/Field Inspection Services. Proposal No. RFP-1-2017 was issued on April 5, 2017 and closed on May 4, 2017. The Evaluation Committee consisting of staff from the Engineering Services Department, reviewed and evaluated the six proposals received using criteria outlined in the Terms of Reference.

Sandy Beach Road is located between Liverpool Road and Brock Road. Sandy Beach Road is an Arterial Road Class C, from Bayly Street to a point 950 meters south, and is a collector road from that point to Montgomery Park Road, under the jurisdiction of the City of Pickering. It has an Average Annual Daily Traffic (AADT) of approximately 4500 including truck traffic. It is currently a two-lane roadway and has a rural cross-section. It is located in the Brock Industrial Area serving commercial businesses, as well as, Kinsmen Park, Alex Robertson Park and the Pickering Nuclear Generating Station and provides a means of access to the Bay Ridges neighbourhood to the west. The existing Waterfront Trail crosses Sandy Beach Road close to the intersection of Montgomery Road.

There are two major existing structures, one culvert and one bridge on Sandy Beach Road. Krosno Creek crosses Sandy Beach Road at these two locations, as shown in the location map (Attachment #1). The 2016 Road Needs Study recommends Sandy Beach Road for reconstruction, and the 2013 Development Charges Study recommends three-lane reconstruction, including storm sewers. There is an existing sidewalk on some sections of Sandy Beach Road, but it is not continuous or connected.

A consultant is required to carry out the Environmental Assessment (EA) and Preliminary Design for Sandy Beach Road from Montgomery Park Road to Bayly Street, and also to complete a Detailed Design package including detailed design drawings and tender specification documents. The consultant will also provide contract administration and field inspection during construction for the road, at a future date subject to the budget approval.

Proposal No. RFP-1-2017 was issued on April 5, 2017 to obtain proposals to undertake the Environmental Assessment and Detail Design of Sandy Beach Road (Montgomery Park Road to Bayly Street). The RFP process closed on May 4, 2017, with 6 proposals submitted.

The City received submissions from the following consulting firms:

- Ainley Group
- Chisholm, Fleming & Associates
- GHD
- GREER GALLOWAY Consulting Engineers
- Morrison Hershfield
- The Municipal Infrastructure Group Limited (TMIG)

The proposals received were reviewed by the Evaluation Committee consisting of staff from the Engineering Services Department. Proposals were evaluated based on the consultant's experience on similar projects, their understanding of the project, proposed work plan and deliverables, project team overview, quality of their references, quality of their proposal and their pricing. The Municipal Infrastructure Group Limited (TMIG) received the highest average score.

The proposal submitted by TMIG exceeds the approved budget and additional funds are required. The total net project cost required (including proposal amount, contingencies and net HST) is estimated to be \$675,000.00. An additional funding amount of \$75,000.00 is required.

The Health & Safety Statement signed by TMIG and Certificate of Clearance issued by the Workplace Safety & Insurance Board have been reviewed by the Coordinator, Human Resources and deemed acceptable. TMIG is currently providing consulting and professional services to the City for the detailed design of culverts and erosion control for Krosno Creek and is deemed acceptable by the Manager, Capital Projects and Infrastructure. The list of sub-consultants as submitted by TMIG for this project has been reviewed and deemed acceptable by the Manager, Capital Projects and Infrastructure. The Certificate of Insurance has been reviewed by the Manager, Budgets & Internal Audit, and is deemed acceptable.

Upon careful examination of all proposals and relevant documents received, the Engineering Services Department recommends the acceptance of Proposal No. RFP-1-2017 submitted by TMIG in the amount of \$649,594.06 (HST included) and that the total net project cost of \$675,000.00 (net of HST rebate) be approved.

Attachments:

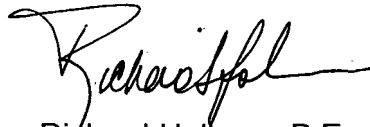
1. Location Map
 2. Supply & Services Memorandum dated May 16, 2017
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Prepared By:

Approved/Endorsed By:



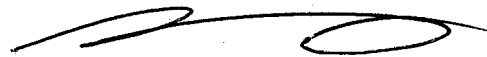
Nadeem Zahoor, P.Eng., M.Eng.
Coordinator Transportation Engineering



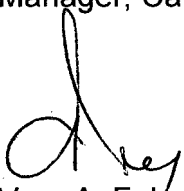
Richard Holborn, P.Eng
Director, Engineering Services



Darrell Selsky, C.E.T., CMM III
Manager, Capital Projects & Infrastructure



Stan Karwowski, MBA, CPA, CMA
Director, Finance & Treasurer



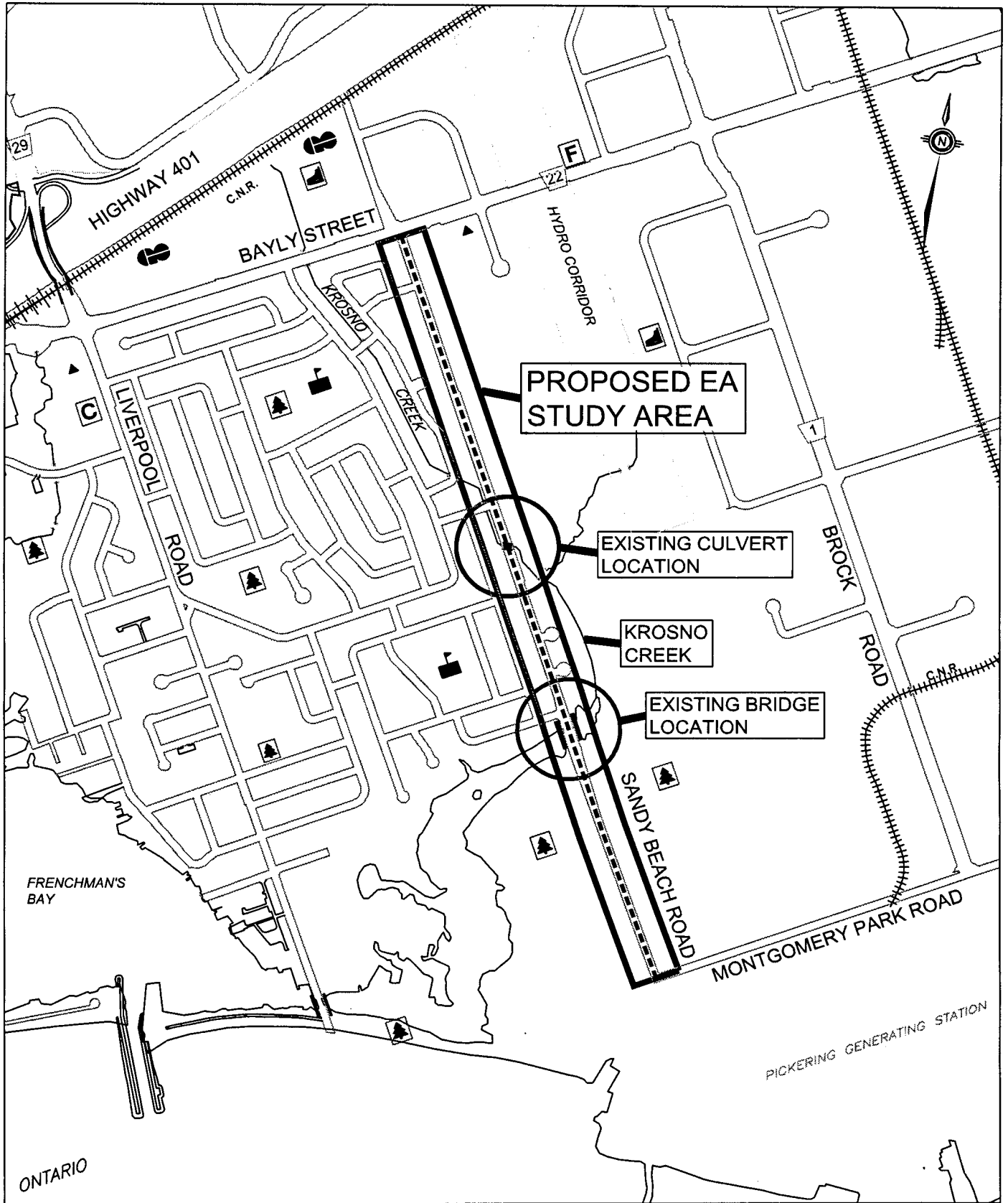
Vera A. Felgemacher
CSCMP, CPPO, CPPB, CPM, CMM III
Manager, Supply & Services

NZ:mjh

Recommended for the consideration
of Pickering City Council



Tony Prevedel, P.Eng.
Chief Administrative Officer



Engineering Services
Department

Location Map
Report ENG 12-17

City of
PICKERING

SCALE: N.T.S. DATE: May 19 /2017

To: Richard Holborn
Director, Engineering Services

May 16, 2017 Revised

From: Vera A. Felgemacher
Manager, Supply & Services

Copy: Administrative Assistant, Engineering Services
Supervisor, Supply & Services

Subject: Consulting Services for Sandy Beach Rd. Reconstruction
Proposal No. RFP-1-2017
Closing Date: Thursday, May 4, 2017 at 12:00 p.m. (local time)
- File: F-5300-001

Further to the memo dated May 8, 2017, the Terms of Reference for the above project were issued on April 5, 2017. An advertisement was posted on the City's website. Six (6) proposals were received by the closing date.

The proposals received contained the mandatory requirements for Stage 1 Evaluation, and proceeded to Stage II. The Evaluation Committee, consisting of City Staff from the Engineering Services Department, conducted independent evaluations of the proposals. A combined average score for the proposal was completed and a copy of the approved final consensus spreadsheet is attached.

A summary of the submitted pricing (excluding HST) and points awarded for the proposal is attached.

Municipal Infrastructure Group has received the highest overall points. The total cost to provide this service is \$574,862.00 plus HST.

A budget of \$600,000.00 was provided to Supply & Services for this procurement.

In accordance with Appendix D – Request for Proposals Particulars, Item B – Material Disclosures, the following documents will be requested from Municipal Infrastructure Group and submitted for approval by the Employment & Compensation Specialist and the Manager, Budgets & Internal Audit:

- (a) A copy of the Health & Safety Policy to be used on this project (currently dated and signed), or the City's Health & Safety Policy Acknowledgement form;
- (b) A copy of the current Certificate of Clearance issued by Workplace Safety & Insurance Board;
- (c) The City's certificate of insurance shall be completed by the bidder's agent, broker or insurer.
- (d) A completed Accessibility Regulations for Contracted Services form; and
- (e) A completed Sub-contractors List, listing all sub-contractors who may be carrying out any part of this Contract.

Please advise if Supply & Services is to proceed with this task.

In accordance with Purchasing Policy Item 06.04, the authority for the dollar limit as set out below excludes HST.

As such, in accordance with Purchasing Policy Item 10.04, where written proposals are obtained by the Manager in accordance with procedures set out in Section 06 and funds are available in the approved budget;

(a) An award over \$50,000 is subject to the additional approval of Council.

Please include the following items in your report:

1. if Items (a) and (b) noted above are acceptable to the Co-ordinator, Health & Safety or designate;
2. if Item (c) is acceptable to the Manager, Budgets & Internal Audit;
3. if the list of subcontractors is acceptable;
4. any past work experience with Municipal Infrastructure Group including work location;
5. the appropriate account number(s) to which this work is to be charged;
6. the budget amount(s) assigned thereto;
7. Treasurer's confirmation of funding;
8. related departmental approvals; and
9. related comments specific to the project.

After receiving Council's approval, an approved "on-line" requisition will be required to proceed.

Do not disclose any information to enquiries during this time. The Proponent will be advised of the outcome in due course. An award notice will be placed on the City's website upon receipt of all required approvals.

If you require further information, please feel free to contact me or a member of Supply & Services.



VAF/sb
Attachments (1)