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Item No. 14.1.4
Halifax Regional Council
September 20, 2016

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY:

Jacques Dubé, Chief Administrative Officer

Original Signed by 

Jane Fraser, Acting Deputy Chief Administrative Officer

DATE: September 12, 2016

SUBJECT: **Award - RFP 16-047 Prime Design Consulting Services for the Cogswell
Redevelopment Program**

ORIGIN

- Council Report May 1, 2014 Agenda item 11.4.1
- Approved Capital Budget 2016/2017
- Request For Proposal RFP 16-047 Prime Design Consulting Services for the Cogswell Redevelopment Program (Closed: July 27, 2016)

LEGISLATIVE AUTHORITY

Under the HRM Charter, Section 79, Halifax Regional Council may expend money for municipal purposes. Administrative Order #35, the Procurement Policy, requires Council to approve the award of contracts for sole sources exceeding \$50,000 or \$500,000 for RFP's and tenders respectively.

The following report conforms to the aforesaid Charter and Policy.

RECOMMENDATION

It is recommended that Halifax Regional Council;

Award RFP 16-047 Prime Design Consulting Services to Support the Cogswell Redevelopment Program, to the highest scoring proponent, **WSP Canada Limited** for **\$2,557,041** (net HST included). The award consists of two components which were tendered as Table 1 and Table 2 costs in the RFP;

1. Fixed Design Services for Phases I to V of **\$1,483,312** (net HST included), with funding from Project Account No. CT000007 – Cogswell Interchange Redevelopment as outlined in the Financial Implications section of this report.

RECOMMENDATION CONTINUED ON PAGE 2

2. Time Based Fees of RFP 16-047 Prime Design Consulting Services for the Cogswell Interchange Redevelopment up to an amount of **\$1,073,729** (net HST included), with funding from Project Account No. CT000007 – Cogswell Interchange Redevelopment, as outlined in the Financial Implications section of this report.

BACKGROUND

The Cogswell Lands Plan report appeared before Regional Council on May 13, 2014, at which time the following recommendations were approved:

1. Approve the Cogswell Lands Plan as the guiding document for the next stage of work for the removal and re-design of the Cogswell Interchange.
2. Approve the functional road network as proposed in the Cogswell Lands Plan.
3. Direct staff to initiate the following work and return to Council as required:
 - a) Communicate the Cogswell Lands Plan, as approved, to the public, adjacent landowners and future developers through the municipal website, individual meetings and a public open house held in conjunction with the Strategic Urban Partnership.
 - b) **Proceed with the Detailed Design for the demolition and redevelopment of the Cogswell Interchange including issuing Requests for Proposals to retain necessary expertise.**
 - c) Enter into negotiations for land acquisitions required to advance the Cogswell redevelopment.
 - d) Prepare a financial plan for the demolition and redevelopment of the Cogswell Interchange.
 - e) Commence preparations for Municipal Planning Strategy/Land Use By-law amendments and necessary street closures as per the HRM Charter.

RFP 16-047 extends from recommendation **3b**, above.

Municipal Objectives

The municipal goals associated with this effort are to dismantle the current interchange roadways and bridges and replace with at-grade road systems. This creates four (4) acres of new roads, six (6) acres of designated park area and six (6) acres of developable land. The developable property can be sold to maximize use or value; regenerate neighbourhoods; advance development opportunities; and generate financial return for the municipality. This will be accomplished by:

1. Marketing the developable property; and,
2. Amending municipal plan policy to allow high-density, mixed-use (residential/retail/commercial) development, which integrates with, and supports, a vibrant urban centre.

DISCUSSION

Request for Proposal (RFP) 16-047 was publicly advertised on the Province of Nova Scotia's Procurement website on June 7, 2016, and closed on July 27, 2016. Proposals were received from the following companies:

- IBI Group Inc. in association with AIA Engineers Limited and Eastpoint Engineering Limited
- SNC – Lavalin Inc. *
- WSP Canada Inc. in association with MMM Group Limited

* Did not meet Mandatory Requirements – Non-compliant

Fairness oversight during the entire RFP process was facilitated from an independent Fairness Monitor, P-1 Consulting Ltd. (see preliminary report in attachment B). Proposals were evaluated by a team consisting of the Director of Transportation and Public Works, Director of the Halifax Water Commission, Director of the Cogswell Redevelopment Program, the Executive Director of Nova Scotia Transportation Infrastructure Renewal and facilitated by HRM Procurement with Fairness Monitoring oversight provided by P-1 Consulting Ltd. The RFP was scored using a two-envelope process. Envelope one (1) was the technical component of the RFP (communication skills, sector specific experience, team composition and experience, understanding of HRM needs, business solution and project management methodology) and Envelope two (2) consisted of the financial elements of the proposals. Only those proponents that received 75% or greater from envelope one (1) had their envelope two (2) (financial) opened and evaluated. All of the technical proposals reviewed (IBI Group Inc. & WSP Canada Inc.) met mandatory and the technical requirements.

The final scores for the two (2) proponents, as shown in Attachment A – RFP Evaluation Criteria scorecard, is summarized as follows:

1. WSP Canada Inc. *	90.39
2. IBI Group Inc.	57.36

***Recommended**

The **WSP Canada Inc.** proposal received the highest score of the two proponents based on the criteria in Appendix A. The WSP Canada Inc. proposal indicated depth of experience and an understanding of the goals of the project. The total award value is **\$2,557,041** (net HST included) with funding from Project Account No. CT000007 – Cogswell Redevelopment Program. The award consists of two components as follows:

- 1 - Fixed Design Services for Phases I to V having an award value of \$1,483,312 (net HST included) consisting of;

Phase I Design Development

Phase II Contract Documents

Phase III Bidding & Negotiation

Phase IV Construction Contract Administration

Phase V Post Construction

- 2 - Fees for Time Based Services which will involve an ongoing provision of site-based services of the Prime Design Consultant during the anticipated 36 month construction window. Rates were included for the contract administrator, senior structural site representative, senior civil site representative and senior municipal site representative.

For this aspect of the project a standing offer shall be created with **WSP Canada Inc.** Additional resources for the Time Based Reimbursable Services, from time to time, may be required, and it is the intent of staff to negotiate these requirements on an as required basis, and add rates to the standing offer agreement up to an amount of \$1,073,729 (net HST included).

FINANCIAL IMPLICATIONS

Based on the highest scoring proponent for Fixed Design Services for Phases I to V and for Time Based reimbursable fees, there will be a total award of **\$2,557,041** (net HST included), funding is available in the Approved 2016/17 Capital Budget from Project Account No. CT000007 – Cogswell Redevelopment Program. Budget availability has been confirmed by Finance.

Budget Summary:	<u>Project Account No. CT000007 – Cogswell Redevelopment Program</u>	
	Cumulative Unspent Budget	\$ 60,982,955
	Less: RFP 16-047	\$ 2,557,041
	Balance	\$ 58,425,914

The standing offer for Time Based reimbursable fees, with an estimated target value of \$1,073,729 net HST included, shall be funded from Project Account No. CT000007 – Cogswell Redevelopment Program. Any additions shall also be funded from Project Account No. CT000007 – Cogswell Redevelopment Program.

The balance of funds will be used for the Cogswell Redevelopment Program.

RISK CONSIDERATION

The Cogswell Redevelopment Program is a complex undertaking and the creation of the RFP and contract documents have taken several months with input from HRM business Units, the Cogswell team as well as City legal and purchasing divisions. As expected, the RFP drew responses from entities across Canada and beyond.

In order to ensure transparency and objectivity during the entire RFP process, an independent Fairness Monitor was engaged to provide oversight and reduce potential risks to the tendering process. (see preliminary report in attachment B).

ENVIRONMENTAL IMPLICATIONS

The construction and demolition phases of the project will comply with relevant HRM environmental policies.

ALTERNATIVES

Council could choose not to award this RFP and direct staff to retender the work. Should Council determine to not award this recommendation for the Prime Design Consultant, the Cogswell team would have to retender to the market for this engagement. The retendering of this assignment would delay the Cogswell Redevelopment Program by 7-10 months with the additional risk of a potential loss of market interest in the assignment and a reduced bidder response.

ATTACHMENTS

- Attachment A – Evaluation Criteria
- Attachment B – Fairness Monitor Preliminary Report

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: John Spinelli, CET, Director, Cogswell Redevelopment Program 902-293-8567

Procurement Review: _____
Jane Pryor, Manager, Procurement, 902.490-4200

Original Signed

RFP 16-047 Prime Design Consultant for Cogswell Redevelopment Program		*WSP	IBI	
Appendix "A" Scorecard				
4.2 – TECHNICAL PROPOSAL CRITERIA:	AVAILABLE POINTS TO BE AWARDED	Score	Score	
4.2.1	Criteria 1 - Clarity , Readability, Grammar and Format of Proposal Presentation	<u>3</u>	2.92	2.38
4.2.2	Criteria 2 - Sector Specific Experience	<u>15</u>	13.98	12.21
a	Project Examples	10	9.30	8.62
b	Letters of Reference	5	4.68	3.59
4.2.3	Criteria 3 - Team Composition and Experience	<u>20</u>	16.57	14.00
a	Experience of Project Lead	2	1.81	1.84
b	Key Team Members Appropriate Skills and Education	10	8.88	7.26
c	Demonstrated History of Proposed Team	3	1.53	2.28
d	Balance of Level of Effort	5	4.37	2.63
4.2.4	Criteria 4 - Understanding of the Municipality's Needs	<u>20</u>	17.58	15.33
a	Design and Construction Schedule and Work plan	10	8.66	7.63
b	Demonstrated Understanding of Design Intent	7	6.27	5.48
c	Value Added Propositions and Recommendations	2	1.80	1.54
d	Attention to Relevant Challenges	1	0.85	0.69
4.2.5	Criteria 5 - Business Solution	<u>7</u>	6.04	5.44
a	Business Solution	2	1.78	1.69
b	Methodology	3	2.64	2.35
c	Cost and Time Effectiveness	2	1.63	1.40
4.2.6	Criteria 6 - Project Management Methodology	<u>10</u>	8.32	8.01
a	Management Structure	5	4.05	3.86
b	Proposed Communication Methods	3	2.57	2.33
c	Quality Assurance Standards	2	1.70	1.83
Sub-Total of Technical Proposal 4.2.1-4.2.6	(75% of 75 pts = 56.25 pts = Pass)	<u>75</u>	<u>65.39</u>	<u>57.36</u>
Cost:	Score for Cost	<u>25</u>	<u>25.00</u>	<u>0.00</u>
	Cost for Design		\$1,422,350.00	\$5,043,154.00
	Cost for Design - Net HST included		\$1,483,311.92	\$5,259,303.58
	Estimated Cost of Construction Services (Time Base Fees estimated @ 13,920 hours)		<u>\$1,029,600.00</u>	\$1,238,400.00
	Total Estimated Cost -Design & Construction		<u>\$2,451,950.00</u>	\$6,281,554.00
	Total Estimated Cost -Design & Construction - Net HST Included		<u>\$2,557,040.58</u>	\$6,550,781.40
Total		<u>100</u>	<u>90.39</u>	<u>57.36</u>
	Recommended *			

Friday, September 9, 2016

Gary Carpentier
Senior Procurement Consultant
 40 Alderney Drive.
 Dartmouth, NS B2Y 2N5

Email: carpeng@halifax.ca

Reference: Request for Proposals for Design Consulting Services for the Cogswell Redevelopment Program (RFP # 16-047)

Dear Gary,

P1 Consulting was engaged as the Fairness Monitor Consultant to monitor the processes of communication, evaluation and decision-making associated with the procurement process for the Request for Proposals for Design Consulting Services for the Cogswell Redevelopment Program (RFP #16-047) issued by Halifax Regional Municipality. Our role was related to ensuring openness, fairness, consistency and transparency of the procurement process.

P1 Consulting hereby presents its draft procurement fairness attestation report to the Halifax Regional Municipality at the conclusion of the evaluation and in advance of notification of award in the procurement process, describing how the procurement process has complied with requirements. The following chart summarizes P1 Consulting's involvement and findings:

Stage	Task	Fair (Yes / No)
General		
1.	Confirm that the Project participants, including the Evaluators, did not have any conflicts of interest and that they would comply with the confidentiality requirements related to the procurement process	Yes
2.	Review situations of conflict of interest (actual, perceived and potential), from a fairness perspective, in order to make a determination	Yes
3.	Ensure that documents are store securely and that the records management process is adhered to; and that evaluators are aware and abide by document security protocol and confidentiality, as applicable.	Yes
4.	Review communications protocols for Project participants (<i>if applicable</i>)	Yes
5.	Review and monitor communications with Proponents to confirm openness and fairness	Yes
Request for Proposal		
6.	Review draft Request for Proposal (RFP) documentation, prior to issuance to Proponents, to identify potential inconsistencies or lack of clarity in the RFP and provide feedback to the Client: <ul style="list-style-type: none"> • Ensure that the time and place of the closing are clearly identified in the RFP • Ensure that there is a clear process for Proponents to submit questions • Ensure that project meetings (mandatory or not) are clearly identified in the RFP • Ensure that the evaluation criteria and process are included in the RFP • Assess the clarity of the evaluation criteria and process to confirm that Proponents will understand what is required from them in order to meet the criteria • Ensure that there is a process for Proponents to discuss complaints or concerns with respect to the fairness of the procurement • Ensure that all Proponents are requested to sign the "Certificate of Independent Bid Determination" developed by Industry Canada 	Yes

P1 Consulting Inc.



Stage	Task	Fair (Yes / No)
7.	Ensure that notice of the procurement is publicly posted and that the proposal period allowed sufficient preparation time for Proponents	Yes
8.	Review and monitor all information provided to Proponents, such as questions and responses, addenda, presentations, etc. ..., to: <ul style="list-style-type: none"> • Confirm that it is consistent with principles of fairness, openness and transparency and • Unless they are Commercially Confidential, ensure that the responses to questions, Addenda or changes to the procurement documents are published or provided to all Proponents 	Yes
9.	<ul style="list-style-type: none"> • Attend the Proponents meetings (including individual and Commercially Confidential Meetings) • Confirm that there were no Proponent meetings related to the procurement that the Proponents were not notified of 	Yes
10.	Monitor the submission closing	Yes
11.	Ensure that: <ul style="list-style-type: none"> • The submissions were logged and recorded upon receipt, clearly identifying those that were submitted on time • The pricing was contained in a separate envelope (<i>If pricing is to be in a separate package</i>) • The Mandatory requirements were adhered to and only compliant proposals are evaluated 	Yes
12.	Review the evaluation and selection documentation including code of conduct guidelines, evaluation process, evaluation scoring criteria, scoring formulas from a fairness perspective to: <ul style="list-style-type: none"> • Ensure for clarity and consistency • Confirm that all relevant evaluation criteria and weightings are properly disclosed to Proponents 	Yes
13.	Ensure that the composition of the evaluation committee adhered to the evaluation process	Yes
14.	Attend the following meetings: <ul style="list-style-type: none"> • Relevant internal meetings related to the evaluation process in order to gain an understanding of the process • All evaluation sessions that the evaluators participate in to monitor that all Proponents are treated fairly and consistently during the process 	Yes
15.	Oversee the evaluator training: <ul style="list-style-type: none"> • Review the training material • Obtain confirmation that all participants will/have been trained • Participate or observe the training 	Yes
16.	Ensure that the evaluation criteria were applied consistently, fairly and in accordance with the RFP evaluation guideline	Yes
17.	Evaluations were done in an unbiased manner and in accordance with the Evaluation tools	Yes
18.	Review request for clarification to ensure that they are consistent with the procurement documents	Yes
19.	The pricing envelopes were opened only for Proponents who meet the requirements of the procurement process	Yes
20.	Review evaluation results (technical and financial)	Yes
21.	Participate in Senior Management, Committee and Council Meetings where the project results are discussed or disclosed	N/a
22.	Participate in the Negotiations (upon request) to ensure that they are consistent with the prescribed process	TBD*
23.	Attend debriefing sessions related to RFP as required	To be scheduled
24.	Provide a report of the conclusion of the procurement on the fairness, openness and transparency of the process	TBD*

*This draft attestation has been provided upon request in advance of the award of the RFP. This attestation will be reissued upon the award of the RFP.

Observations and Findings

The evaluation process and criteria described in the procurement documents were applied consistently and equitably. In the final evaluation discussions the evaluators demonstrated that they had been diligent in their responsibilities, that they were able to support their individual evaluation assessments and that they held no bias for or against any Proponent. There were no unresolved issues at the RFP stage of the procurement.

Conclusion

As the Fairness Monitor Consultant for the Request for Proposals for Design Consulting Services for the Cogswell Redevelopment Program (RFP # 16-047) issued by Halifax Regional Municipality, we certify that the principles of openness, fairness, consistency and transparency have been, in our opinion, properly established and maintained throughout the Request for Proposals stage. Furthermore, we were not made aware of any issues that emerged during the process that would impair the fairness of this initiative.

P1 Consulting Inc.

Original Signed

Oliver Grant
Fairness Monitor Consultant