

To: GVS&DD Board of Directors

From: Liquid Waste Committee

Date: July 19, 2023

Meeting Date: July 28, 2023

Subject: Award of RFP No. 23-121 Technical Services for the North Shore Wastewater Treatment Plant Project

LIQUID WASTE COMMITTEE RECOMMENDATION

That GVS&DD Board:

- a) approve award of RFP No. 23-121 for Technical Services for the North Shore Wastewater Treatment Plant Project, in the amount of \$25,000,000 (exclusive of taxes) to Stantec Consulting Ltd., subject to final review by the Commissioner; and
 - b) authorize the Commissioner and the Corporate Officer to execute the required documentation once the Commissioner is satisfied that the award should proceed.
-

At its July 19, 2023 meeting, the Liquid Waste Committee considered the attached report titled "Award of RFP No. 23-121 Technical Services for the North Shore Wastewater Treatment Plant Project", dated July 11, 2023. Members were informed of an administrative error on page 3 of the report, in the *Financial Implications* section, removing the wording of "change order to the AECOM contract", replacing it with the wording of "award of the contract to Stantec".

The second sentence of the *Financial Implications* section now reads:

"At this time, the approved project budget can accommodate the requested award of the contract to Stantec and the cash flows for the project will be comparable to that currently projected in the Financial Plan."

Staff have corrected the report, as attached. This matter is now before the Board for its consideration.

Attachment

"Award of RFP No. 23-121 Technical Services for the North Shore Wastewater Treatment Plant Project", dated July 11, 2023.

To: Liquid Waste Committee

From: Cheryl Nelms, General Manager, Project Delivery
Nick Kassam, General Manager, Procurement & Real Estate Services
Dean Rear, CFO and General Manager, Financial Services

Date: July 11, 2023 Meeting Date: July 19, 2023

Subject: **Award of RFP No. 23-121 Technical Services for the North Shore Wastewater Treatment Plant Project**

RECOMMENDATION

That the GVS&DD Board:

- a) approve award of RFP No. 23-121 for Technical Services for the North Shore Wastewater Treatment Plant Project, in the amount of \$25,000,000 (exclusive of taxes) to Stantec Consulting Ltd., subject to final review by the Commissioner; and
 - b) authorize the Commissioner and the Corporate Officer to execute the required documentation once the Commissioner is satisfied that the award should proceed.
-

EXECUTIVE SUMMARY

Stantec Consulting Ltd. ranked highest overall, provided the lowest cost, had the highest technical score and demonstrated best value overall for Metro Vancouver.

To support Metro Vancouver's due diligence and oversight of the work to complete the North Shore Wastewater Treatment Plant Project, the GVS&DD issued RFP No. 23-121 on April 14, 2023 to secure an Owner's Engineer. RFP No. 23-121 was advertised publicly and the procurement was executed in accordance with the terms and condition of Metro Vancouver's Procurement Policy. The RFP No. 23-121 evaluation team have considered the proposals received, and on that basis recommend that the GVS&DD Board award the RFP No. 23-121 to Stantec Consulting Ltd.

Following termination of the contract with Acciona Wastewater Solutions LP (Project Co.) to design, construct, and commission the plant, a new delivery model was created. Metro Vancouver amended the contract of the previous owner's engineer, AECOM, to allow them to become the engineer of record. It is recommended that Stantec Consulting Ltd. be the new Owner's Engineer, providing advice and representing Metro Vancouver's interests on the project.

PURPOSE

Pursuant to the GVS&DD Officers and Delegation *Bylaw No. 284, 2014* (Bylaw) and the *Board Policy No. FN-006*, procurement contracts which exceed a value of \$5 million require the approval of the GVS&DD Board.

BACKGROUND

In January 2022, Metro Vancouver terminated its contract with Acciona Wastewater Solutions LP (Project Co.) to design, construct, and commission the North Shore Wastewater Treatment Plant.

Following the termination of the Project Agreement with Project Co., Metro Vancouver wanted to expedite the delivery of the project while retaining the ability for competitive pricing of construction for the final delivery of the project. To do this, Metro Vancouver adjusted the project delivery model to retain a general contractor and a design consultant separately. Under the new delivery model, Metro Vancouver amended the contract of the previous owner's engineer to allow them to become the Engineer of Record, creating the need to retain a new owner's engineer who will represent Metro Vancouver's interests on the project. To support this requirement and with design development and early works construction underway, Metro Vancouver proposes to award a contract for an owner's engineer to provide design compliance reviews and project management support to Metro Vancouver throughout the remainder of Phase 1 work and during the design, construction, and commissioning of the project in Phase 2. Having this resource available will provide support in the oversight of both design and construction during a complex and challenging phase in the project, as well as provide expertise to the project team and Metro Vancouver, as and when required.

PROCUREMENT SUMMARY

The evaluation of proposals was conducted in two stages. Stage 1 contemplated technical requirements, weighted at 70% of total score (i.e. proponent qualifications, proposed methodology and work plan). Stage 2 contemplated financial requirements (fees), weighted at 30% of total score. The RFP stipulated that proposals receiving a score of less than 40% out of the 70% possible for technical requirements may be eliminated from further consideration. Metro Vancouver received five proposals. Following Stage 1 evaluation two of the five proposals were eliminated from further consideration due to not meeting minimum technical requirements. Technical requirements were evaluated by the Project Delivery Department and financial requirements were evaluated by the Procurement Department. The following three proposals were fully reviewed.

Proponent	Price (excluding taxes)
Stantec Consulting Ltd.	\$21,113,404
CDM Smith Canada ULC	\$23,014,224
WSP Canada Inc.	\$25,660,426

After a comprehensive and detailed evaluation of the proposals, the evaluation team concluded that the proposal submitted by Stantec Consulting Ltd. ranked highest overall, provided the lowest cost, had the highest technical score, and demonstrated best value overall for Metro Vancouver for the following reasons:

1. **Proponent Qualifications:** Stantec demonstrated a very good understanding of RFP 23-121 requirements, the projects referenced in their proposal are similar in scope, size and complexity as the NSWWTP and Stantec proposed a strong and experienced team.
2. **Proposed Methodology and Work Plan:** the project methodology, work plan and tasks put forward by Stantec Consulting Ltd. demonstrate a good understanding of the project and details were provided that demonstrate that the submission aligns with the scope of work set out in RFP 23-121.

3. Financial Requirements: The fee submission put forward by Stantec Consulting Ltd. was the lowest cost and Stantec did not take any exceptions to Metro Vancouver's consulting contract terms and conditions.

A negotiation meeting with Stantec Consulting was held on June 19, 2023 and the terms of the contract were agreed to and finalized, subject to receiving approval from the GVS&DD Board. The contract value agreed to is \$25,000,000 (exclusive of taxes), which includes an additional \$3,886,596 over the original proposal price resulting from an agreed increase in the hours for project management support and technical reviews and a contingency as a management reserve.

ALTERNATIVES

- 1) That the GVS&DD Board:
 - a) approve award of RFP No. 23-121 for Technical Services for the North Shore Wastewater Treatment Plant Project, in the amount of \$25,000,000 (exclusive of taxes) to Stantec Consulting Ltd., subject to final review by the Commissioner; and
 - b) authorize the Commissioner and the Corporate Officer to execute the required documentation once the Commissioner is satisfied that the award should proceed.
- 2) That the GVS&DD Board receive for information the report dated July 11, 2023, titled "Award of RFP No. 23-121 Technical Services for the North Shore Wastewater Treatment Plant Project" and direct staff to report back with options for an alternate course of action.

FINANCIAL IMPLICATIONS

The current approved budget for the North Shore Wastewater Treatment Plant Program is \$1.058B. At this time, the approved project budget can accommodate the requested award of the contract to Stantec and the cash flows for the project will be comparable to that currently projected in the Financial Plan. However, staff are working to adjust the financial forecast in advance of the October Board Budget adoption.

CONCLUSION

It is recommended that GVS&DD Board authorize the Commissioner and the Corporate Officer to approve the award of RFP No. 23-121 for Technical Services for the North Shore Wastewater Treatment Plant Project, in the amount of \$25,000,000 (exclusive of taxes) to Stantec Consulting Ltd.