

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: July 23, 2014

SUBJECT: PROCUREMENT AUTHORIZATION
PROJECT MANAGEMENT SERVICES
CONTRACT G85-316

ACTION ITEM

RECOMMENDATION

It is recommended that the Board authorize the award of Contract G85-316 for Project Management Services to the following companies in the upset limit amounts in Canadian funds indicated below, with a duration of five years from the Notification of Award, on the basis of highest total weighted scores:

AECOM Canada Ltd. (Aecom)	\$22,500,000.00
Delcan – HMM Joint Venture (Delcan-HMM)	\$22,500,000.00
Total Overall Upset Limit Amount	\$45,000,000.00

FUNDING

Sufficient funds are included in the TTC 2014-2023 Capital Budget which was approved by City of Toronto Council on January 29/30, 2014.

Payment will be on actual time basis and will be charged to approved projects for which the work is required in accordance with the approved annual work plan. No work will be initiated on any project unless the funds have been approved.

BACKGROUND

Since 2005, the core Capital Program budget has significantly increased from approximately \$70M to over \$300M annually. In response, the Construction Department re-organized and the American Public Transportation Association (APTA) was requested to conduct a peer review with the focus on organization structure to support increased project demand.

The APTA Peer Review panel recommended increasing the TTC staff level to support long term capital funding of approximately \$150M-\$300M per year augmented by consultant staff for their special expertise and flexibility to support peak resource demands.

In 2006, the Construction Department expanded and added additional resources. At the same time, two consultant services contracts, Project Management and Construction Management,

were retained to supplement in-house resources to manage peak capital project delivery demands.

This Contract is for the replacement of the Project Management Services contract. A new Construction Management Services contract (G85-313) was awarded on July 24, 2013.

The current Project Management Services contract was awarded in 2006 for a period of five years with an initial award value of \$35M. The contract was subsequently extended to the end of 2015 to retain staff working on critical elements of various projects.

The proposed TTC's 2015-2019 Capital Program forecasts on-going high project delivery needs with an average annual capital budget of over \$300M. To meet the forecasted project delivery demands, support for project management services is required. The consultant staffing level is reviewed and adjusted to support the project delivery requirement on an annual basis.

The EC&E Group also require project management expertise and resources as well as support staff for the management of the Scarborough Subway Extension Project with the intent to supplement the in-house resources to ensure a basic team for the start-up of the project only.

DISCUSSION

A Request for Proposals (RFP) was publicly advertised as of March 25, 2014. Forty-five companies downloaded copies of the RFP documents, out of which seven submitted a proposal by the closing date of May 13, 2014.

Evaluation of the Proposal Submissions

Submissions from the following companies were received for Project Management Services:

1. AECOM Canada Ltd.
2. Comtech Group Inc.
3. Delcan – HMM Joint Venture
4. HDR Corporation
5. MMM Group Limited
6. Stantec Consulting Ltd.
7. WSP Canada Inc.

An Evaluation Team consisting of three (3) members, two (2) from the Construction Department, and one (1) from Materials and Procurement Department evaluated the qualitative portion of the proposals in accordance with the criteria set out in the RFP and attached Appendix A.

The recommendation for award is based on the highest total weighted score. The evaluation of proposals was based on a two envelope process and consisted of qualitative and pricing components; 80 points were allocated to the qualitative merit and 20 points were allocated to the pricing.

Proposals were first scored jointly by all members of the Evaluation Team based on qualitative criteria at the associated weightings as set out in the RFP documents. It was pre-determined that proposals achieving a total minimum of 56 points out of the maximum 80 points available for the qualitative evaluation would be considered qualified.

Final scores for the qualitative evaluation of proposal submissions were arrived at by consensus, whereby the following companies were considered qualified to perform the work: Aecom, Comtech Group Inc., Delcan-HMM, HDR Corporation, MMM Group Limited, Stantec Consulting Ltd. and WSP Canada Inc.

Upon completion of the qualitative evaluation, the pricing component of all qualified proponents was evaluated utilizing the percentage dedication for the pre-defined key staff positions, as set out in the RFP documents for evaluation purposes only, to determine a composite hourly billing rate. The total weighted score was calculated as a sum of the weighted qualitative score and the weighted pricing score.

Upon completion of the evaluation process, the proposals submitted by Aecom and Delcan-HMM have the highest overall evaluated score based on the stated evaluation criteria amongst compliant bids.

JUSTIFICATION

The award of contracts to AECOM Canada Ltd. and Delcan-HMM Joint Venture will ensure that satisfactory consultant staff resources are available for Project Management. Their proposals are the best overall weighted acceptable score.

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Attachment – Appendix A

APPENDIX A

PROCUREMENT AUTHORIZATION PROJECT MANAGEMENT SERVICES CONTRACT G85-316

EVALUATION CRITERIA

- A. Corporate Qualifications/Experience
 - Background and Capabilities
 - Number of years in business
 - Depth of available resources
 - Relevant corporate experience

- B. Staff Qualifications/Experience
 - Number of years of direct experience
 - Technical qualifications
 - Relevant experience