

Report Summary

In an effort to engage qualified engineering firms to submit Request for Proposals for our next phases of work, staff from the ERWS followed the City of Parksville's Purchasing Policy and used the request for Statement of Qualifications for Professional Services issued by the City of Parksville on July 5, 2011 as part of our selection process. Three firms were selected to submit detailed proposals namely; Associated Engineering (BC) Ltd., CH2M Hill and Stantec Engineering.

Staff prepared the Terms of Reference and the Request for Proposals that involved quality-based selection adopted from the Consulting Engineers of British Columbia. This process involves three parts consisting of a detailed proposal, a presentation and an interview. The quality based selection procedure is solely based on technical competence, experience with similar projects, proven performance, methodology and ability. The scope of work, schedule and an appropriate fee are then negotiated with the top ranked engineering firm. Through this process, the technical review committee determined that CH2M Hill was the top-rated consultant.

CH2M Hill is an employee owned company and is one of the top rated firms in North America with vast experience on similar water intake and membrane treatment projects.

Their work plan for the initial Phase 3 works - Preliminary Design consists of:

- Overall Project Management
- Project Information Review
- Regulatory Agency Consultation
- Intake Screen, Pump Station and Raw Watermain Preliminary Design
- Supply Main and Treated Water Distribution Preliminary Design
- Water Treatment Preliminary Design

1. Their budgeted fees for these works are: \$ 646,861

2. Supplementary Scope:

- Site visits to intakes and treatment plants \$ 25,226
- Public Consultation and creation of a Public Advisory Committee \$ 108,319
- Value Engineering \$ 34,295
- Equipment Procurement \$ 44,688
- Additional River low flow monitoring and modeling \$ 25,027

Total: \$ 884,416

On a project of this size and nature it is good practice to include a contingency of 10 % (\$ 88,442) to account for any unforeseen items that may arise during the preliminary design process. The total fees for Phase 3 works including preliminary design, supplementary work and 10 % contingency are \$ 972,858 plus GST.

CH2M Hill has also recommended that we provide a separate budget allowance of \$ 50,000 should ERWS want entertain a formal Value Engineering review of the preliminary design from an independent facilitator and qualified operators and engineers.

The ERWS Year 2013 Provisional Budget identifies a budget of \$ 1,450,000 for preliminary design engineering. Therefor there are no direct fiscal impacts to ERWS should the proposed recommendations be approved. Sufficient funds are available in the ERWS Year 2013 Provisional budget to commence this work.

This is a continued effort to develop a bulk regional surface water supply for the City of Parksville and the Regional District of Nanaimo that has been over 20 years in the making. This regional bulk surface water system will reduce our current risks, deliver a secured source of water and provide considerable fisheries enhancements to the Englishman River for the next 40 years. The continued effort supports our mission statement of:

An environmentally sensitive use of water to improve fish habitat and domestic water supply

Following the preliminary design phase, additional scope of work will be developed jointly with CH2M Hill at significant project milestones and will be awarded contingent upon satisfactory performance, work plan, consulting fees and available budget.

Completion of this work will help further identify and update required capital works and related costs for the water intake, treatment plant and related supply main upgrades. Having the preliminary design complete by the summer of 2014 will allow ERWS to seek Federal and Provincial funding opportunities while meeting target deadlines established by the Vancouver Island Health Authority.

RECOMMENDATION:

THAT the ERWS Management Board authorize staff to engage CH2M Hill to complete Phase 3 - Preliminary Design of the Water Intake, Treatment Plant and Supply Mains for \$ 972,858 plus GST,

AND THAT, staff be directed to engage an independent Value Engineering team to review the preliminary design prepared by CH2M Hill providing such fees do not exceed \$ 50,000 plus GST,

AND THAT, staff be directed to further engage and negotiate the work plan and fees with CH2M Hill for future phases of work through to the completion of the project providing satisfactory performance of CH2M Hill and develop appropriate budgets for such in future ERWS Financial Plans.

Carried