

**MUNICIPALITY OF CHATHAM-KENT**  
**INFRASTRUCTURE AND ENGINEERING SERVICES**  
**ENGINEERING AND TRANSPORTATION DIVISION**

**TO:** Mayor and Members of Council

**FROM:** Stephen E. Jahns, B.A.Sc., P.Eng., CMMIII, OAAAS, RCJI  
Manager, Infrastructure and Transportation  
Engineering and Transportation Division

**DATE:** March 8, 2008

**SUBJECT:** Consultant Selection  
St. Clair Street Combined Sewer Replacement Project  
Community of Chatham, Municipality of Chatham-Kent

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**RECOMMENDATIONS**

It is recommended that:

1. The proposal submitted by the firm of Stantec Consulting Limited for the proposed consulting engineering services associated with the St. Clair Street Combined Sewer Replacement project be accepted.
2. The General Manager of Infrastructure and Engineering Services be authorized to sign the necessary agreement documents.

**BACKGROUND**

Over the past five years, the Municipality of Chatham-Kent has experienced approximately six instances for which emergency repair work has been required for the existing combined sewer on St. Clair Street (specifically between McNaughton Avenue and the Thames River) in the Community of Chatham. Although the exact date of construction of this sewer is not known, it is anticipated that the sewer is approximately 80 to 100 years old.

Repairs conducted to date have been associated with the replacement of localized lengths of collapsed vitrified clay pipe ranging from approximately two metres to six metres below the traveled road surface elevation. These repairs have been extremely difficult to undertake considering flow levels accommodated within the sewer and the degree of excavation required within the asphalt roadway.

The watershed associated with this combined sewer is sizeable and is approximately bound by the following municipal highways and geographic features:

- Sandy Street
- Victoria Avenue
- McNaughton Avenue
- Thames River

As a result of these events, the Public Utilities Commission charged Engineering and Transportation Division with the task of coordinating an investigation of the combined sewer on St. Clair Street (McNaughton Avenue to the Thames River) to identify any operational issues with same. In accordance with the Purchasing Policy, quotations for this work were developed and prices were received from a number of bidders. Ultimately Sewer Maintenance Services of Kingsville, Ontario was retained to undertake:

- flushing of the subject length of combined sewer
- cctv inspection of the subject length of combined sewer
- fog testing of the subject length of combined sewer
- numerous maintenance hole structure inspections

In July of 2007, Engineering and Transportation Division returned to the Public Utilities Commission with a report outlining the condition of the existing combined sewer and the approximate value of the replacement of same. Similarly, the project was slotted into the lifecycle sanitary sewer budget and identified as a necessary project to the Public Utilities Commission in September of 2007 when it received information regarding the 2008 (and beyond) project plan and budget.

It is the intention of the Municipality that consulting engineering services be initiated and completed during the 2008 calendar year. Construction activities associated with the subject combined sewer (St. Clair Street McNaughton Avenue to the Thames River) can then proceed during the following 2009 calendar year. This schedule will allow for the successful completion of current infrastructure improvement projects on St. Clair Street, north of McNaughton Avenue.

A formal Request for Proposal was circulated to four (4) consulting engineering firms in late December of 2007. The proposal call included a general description of the project and a detailed list of expectations to ensure uniformity between submissions. A copy of the Request for Proposal is available from Engineering and Transportation Division upon request. Consultants were offered until February 8, 2008 to prepare both a technical proposal and fee proposal and return it to Engineering and Transportation Division for evaluation.

Chatham-Kent Council's approved two-envelope system was used to ensure that fees could be kept confidential until each member of the review committee had rated the abilities, resources, experience and proposed methodology of each submitting consultant. The fee was then factored into the overall matrix rating system. Proposals received were reviewed and evaluated in accordance with the Consultant Selection Policy approved by Chatham-Kent Council in May of 2001. A copy of this Policy is attached in Appendix A.

## **COMMENTS**

Proposals were received from four (4) consulting engineering firms. All proposals were noted as being prepared using the required two-envelope system and were received prior to the specified deadline. Upon opening and reviewing the Technical Proposal Envelope, it was noted that the proposals were complete in all respects, save and except some minor discrepancies in approach to the project and thoroughness of the description and methodology of the proposed work.

In general, consultant selection is based on a full range of considerations, including:

- The best qualified for the project, ability to provide expeditious, interactive service, which may or may not include being local, depending on how the consultant chooses to overcome the distance factor.
- Understanding of the project and the ability to communicate it.
- Methodology described to carry out the project, with clear indicators of design innovations, cost control and savings.
- What value the consultant can bring to the client in terms of experience, negotiation, public involvement and awareness of local conditions.
- Stated sensitivity to property owners and their needs.
- The ability to work with the owner to efficiently and thoroughly complete the project.
- The history of performance when available and how that compares to the stated facts.
- The overall value to the client, not just in terms of fee, but in terms of minimizing project cost through design and contract administration.

Included with all fee proposals were a detailed description of activities and associated costs. One item which differed slightly between proposals was the anticipated duration of the construction period. Although the duration of the construction was typically identified as 80 working days (which equates to approximately 16 weeks or four months of construction), one firm identified a construction inspection and contract administration duration of only 12 weeks. Consequently, and as done in the past, the evaluation panel proportionally increased this aspect of the consultant's fee proposal from 12 weeks to 16 weeks to ensure equitable and fair comparison of appropriate scopes of work. Table 1 includes the names, locations, ratings and fees of the consulting engineering firms who submitted proposals for the St. Clair Street Combined Sewer Replacement Project.

Consultant Selection – St. Clair Combined Sewer Replacement Project			
Table 1: Summary of Consultant Ratings and Estimated Fees			
Submitting Firm	Location	Rating	Fee
Stantec Consulting Limited	Windsor, ON	1117	\$ 203,310
EarthTech Incorporated	London, ON	1103	\$ 172,630 <sup>A</sup>
Todgham & Case Associates	Chatham, ON	1061	\$ 299,023
Dillon Consulting Limited	Chatham, ON	1026	\$ 331,223

Note A: Fees associated with construction inspection and contract administration activities initially presented as 60 working days (12 weeks) and have been proportionally increased to reflect 80 working days (16 weeks) per the remaining proposals.

A copy of a sample Request for Proposal Evaluation Matrix is provided in Appendix B. As may be seen in the matrix, consideration is given to experience and qualifications of the project team, management qualifications, project implementation and fee. Per the Consultant Selection Procedure, fee alone shall not be the determining factor in consultant / professional selection. The ranking of consultant / professionals based on specific criteria shall be the deciding factor. Although the preferred firm did not present the lowest fee, scores associated with firm ability and qualifications resulted in a ranking which surpasses that of the other firms.

Based on the results of the Council-approved rating system and staff deliberations undertaken during the evaluations of the proposals, the committee recommends that Stantec Consulting Limited of Windsor, Ontario be retained to carry out the engineering services associated with this project. Stantec Consulting Limited has demonstrated a detailed understanding of the project and demonstrated that they are capable of delivering a quality product. Stantec Consulting Limited has successfully completed projects on behalf of the Municipality of Chatham-Kent and currently engaged (through the Bridge and Structures Division) with the engineering associated with a few bridge rehabilitations in the Municipality.

### **COMMUNITY STRATEGIC PLAN**

The recommendations in this report support the following objectives and strategic directions:

A. Health – We are a healthy community

A1: Provide sufficient capacity to sustain community health and economic growth

B. Economy – We are a prosperous community

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities

#### **Desired Outcomes**

- Provide safe, accessible, convenient and efficient public transportation
- Support new infrastructure investments and modernize existing infrastructure

The recommendations will not adversely impact on the remainder of the Community Strategic Plan.

### **CONSULTATION**

The proposals were evaluated by a panel of municipal staff consisting of the following:

- Director – Public Works North
- Director – Engineering and Transportation Division
- Manager – Infrastructure and Transportation
- Manager – Facilities and Systems (PUC)

This Report to Council has also been circulated to the following municipal staff for comments prior to being presented to Council:

- General Manager – Water and Wastewater Services
- General Manager – Infrastructure and Engineering Services

No comments have been received from those consulted which may adversely impact the recommendations presented herein.

### **FINANCIAL IMPLICATIONS**

Costs associated with engineering consulting fees and disbursements related to same will be funded through the lifecycle sanitary sewer replacement budget line maintained by Water and Wastewater Services. Any costs associated with engineering consulting fees and disbursements related to the redirection of stormwater appurtenances on St. Clair Street will be funded through the storm sewer lifecycle budget.

At the future award of the tender related to this project, financial implications related to the construction and the source of funding for same will be presented in detail and be based on the tender results.

Prepared by:

Reviewed by:

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Gerry Wolting, B.Math, CA  
Acting Chief Administrative Officer

Attachments:      Appendix A   Consultant Selection Policy  
                         Appendix B   Sample Request for Proposal Evaluation Matrix

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# The Municipality of Chatham-Kent Engineering/Architectural Consultant Selection Procedure

July 16, 2001

## 1.0 Consultant/Professional Service Provider Selection.

1.0.1 Consultant/professional selection is accomplished using the specific methods detailed herein which were developed to fit four fee categories:

- Less than Fifty Thousand Dollars (\$50,000).
- Exceeding Fifty Thousand Dollars (\$50,000) but less than One Hundred Thousand Dollars (\$100,000).
- Exceeding One Hundred Thousand Dollars (\$100,000) but less than Two Hundred and Fifty Thousand Dollars (\$250,000).
- Exceeding Two Hundred and Fifty Thousand Dollars (\$250,000).

## 1.1 Projects/Assignments for which consulting fees will not exceed Fifty Thousand dollars (\$50,000).

1.1.1 All consultant/professional selections will be made by the direct appointment method, but upon such terms and conditions as are deemed advisable.

1.1.2 To be eligible for selection, the consultant/professional shall be pre-qualified in special categories and have received an acceptable evaluation on performance in recent assignments.

1.1.3 Pre-qualification shall be confirmed in categories of expertise to be developed by formal submissions from consultant/professionals, which will include:

- 1.1.3.1.1 A formal description of firm's abilities, noting any special qualifications.
- 1.1.3.1.2 Current staff lists and curriculum vitae.
- 1.1.3.1.3 The size of office and location.
- 1.1.3.1.4 A project history.
- 1.1.3.1.5 The ability to meet budget and scheduling targets.

- 1.1.4 End of project interviews will be conducted to evaluate performance and will include, but not be limited to:
  - 1.1.4.1 A review of all aspects of the project.
    - 1.1.4.1.1 The success with which relationships with the public, the client and contractors were developed.
  - 1.1.4.2 The performance evaluation will be structured to give feedback on both the consultant/professional and department's performance.
- 1.1.5 The format for rating pre-qualification and end of project interviews will be patterned after Appendix 1. Variations in the information reviewed will be necessary depending on the type of consultant/professional group being reviewed.
- 1.1.6 The department responsible for consultant/professional selection in the field of expertise desired shall ensure that the consultant/professional database is kept current.
- 1.1.7 The department shall develop a project description to be used in Consultant/professional and fee negotiations.
- 1.1.8 The department and consultant/professional shall negotiate the type of service and fee.
- 1.1.9 The department shall confirm the availability of a local firm to complete the project within the required schedule and at a reasonable price.
- 1.1.10 If a local firm cannot be recruited based on the above, then out of town consultant/professionals may be approached. In certain special service areas, providers may only be found outside the municipality.
- 1.1.11 The ultimate selection of the consultant/professional will be made at the discretion of the department.
- 1.1.12 The Mayor and Clerk be authorized by the routine approvals bylaw to sign an agreement which includes project description, fee and service to be provided.

**1.2 Projects/Assignments for which consulting fees exceed Fifty Thousand dollars (\$50,000) and range to a maximum of One Hundred Thousand dollars (\$100,000).**

- 1.2.1 All consultant/professional selections will be made following a review of formal proposal submissions requested from three pre-qualified, local consultant/professionals.

- 1.2.2 A short proposal only will be required since the consultant/professionals polled will be pre-qualified. A maximum three (3) page letter outlining scope, method, innovation, schedule and price will be expected.
- 1.2.3 The department will provide a detailed project description, scope of work and all requirements expected of the consultant/professional.
- 1.2.4 The proposal submissions shall be in the 'two-envelope' system, so that price can be evaluated separately from the technical merits of the submission.
- 1.2.5 The pre-qualification process shall be as detailed in 1.1.2 to 1.1.4 inclusive, and 1.1.7 and 1.1.8.
- 1.2.6 The proposal review shall be conducted as follows:
  - 1.2.6.1 A committee of three municipal staff shall review the proposals.
  - 1.2.6.2 The committee shall consist of The Department Head or Senior Manager, the Project Co-ordinator and one staff member at large.
  - 1.2.6.3 A review of the proposals shall be conducted independently by each member prior to getting together to discuss the submissions.
  - 1.2.6.4 Submissions shall be ranked according to the categories and ratings as listed in Appendix 2 to this procedure.
  - 1.2.6.5 A matrix summary of the ratings in format similar to that in Appendix 2 shall be created and the relative ranking of the consultant/professionals determined.
  - 1.2.6.6 The price envelopes can then be opened and the values entered into the matrix.
  - 1.2.6.7 The consultant/professional recommended for acceptance shall be the one receiving the highest cumulative rating.
- 1.2.7 A report detailing the review and rating of the proposals received will be submitted to Municipal Council who will give approval to hire the consultant/professional.

1.2.8 End of project interviews will be conducted to evaluate performance as detailed in 1.1.4.

**1.3 Projects/Assignments for which consulting fees exceed One Hundred Thousand Dollars (\$100,000) but will be less than Two Hundred and Fifty Thousand dollars (\$250,000).**

1.3.1 All consultant/professional selections shall be made following a review of formal proposal submissions requested from four consultant/professionals at large.

1.3.2 A detailed proposal call shall be developed by the department, which provides a detailed project description, scope of work and all requirements of the consultant/professional.

1.3.3 The proposal review shall be conducted as follows:

1.3.3.1 A committee of four municipal staff shall review the proposals.

1.3.3.2 The committee shall consist of The Department Head or Senior Manager, the Project Co-ordinator, one additional Department member and one staff member at large.

1.3.3.3 A review of the proposals shall be conducted independently by each member prior to getting together to discuss the submissions.

1.3.3.4 Submissions shall be ranked according to the categories and ratings as listed in Appendix 2 to this procedure.

1.3.3.5 A matrix summary of the ratings in format similar to that in Appendix 2 shall be created and the relative ranking of the consultant/professionals determined.

1.3.3.6 The price envelopes can then be opened and the values entered into the matrix.

1.3.3.7 The consultant/professional recommended for acceptance shall be the one receiving the highest cumulative rating.

1.3.4 A report detailing the review and rating of the proposals received will be submitted to Municipal Council who will give approval to hire the consultant/professional.

1.3.5 End of project interviews will be conducted to evaluate performance as detailed in 1.1.4.

## **1.4 Projects/Assignments for which fees are expected to exceed Two Hundred and Fifty Thousand dollars (\$250,000)**

- 1.4.1 All consultant/professional selections will be completed using a two-stage system: letter of interest submission from several consultant/professionals followed by a request for detailed proposals from a limited number of consultant/professionals.
- 1.4.2 Letters of expression of interest will be requested by invitation to several firms or through advertising in the media.
- 1.4.3 The letters of interest will be reviewed and evaluated in the same format as proposals, as detailed in section 1.3.3.
- 1.4.4 No more than 5 consultant/professionals will be requested to submit proposals following a review and rating of the expressions of interest.
- 1.4.5 A detailed proposal call shall be developed by the department, which provides a detailed project description, scope of work and all requirements of the consultant/professional.
- 1.4.6 The proposal submissions shall be in the 'two-envelope' system, so that price can be evaluated separately from the technical merits of the submission.
- 1.4.7 The proposals will be reviewed and evaluated in the format as detailed in section 1.2.6.
- 1.4.8 A report detailing the review and rating of the proposals received will be submitted to Municipal Council who will give approval to hire the consultant/professional.
- 1.4.9 End of project interviews will be conducted to evaluate performance as detailed in 1.1.4.

## **2.0 Boards and Commissions**

- 2.1 Where Boards and Commissions have hiring authority independent of Municipal Council read "Board" or "Commission" where "Municipal Council" appears in the Procedure.

## **3.0 Fees**

- 3.1 The Municipal Council shall approve the consultant/professional selection when the consulting fees exceed the approved budget estimate.
- 3.2 Fee alone shall not be the determining factor in consultant/professional selection. The ranking of consultant/professionals based on specific criteria shall be the deciding factor.

