

Procurement Authorization Estimating Services - Triennial Contract G85-248 Proposal No. P11PC08751

Meeting Date: August 27, 2008

Subject: Procurement Authorization Estimating Services - Triennial Contract G85-248 Proposal No. P11PC08751

Recommendation

It is recommended that the Commission authorize the award of Estimating Services – Triennial Contract to Giffels Associates Limited in the upset amount of \$1,000,000 for Package 2 work for Estimating Services – Triennial Contract for a three year period commencing upon Notification of Award.

Funding

Sufficient funds for this expenditure are included in various Capital Projects of the TTC 2008 – 2012 Capital Program as approved by Toronto City Council on December 11, 2007. Sufficient funds have also been included in the approved 2008 TTC Operating Budget and will be included in future operating budgets as appropriate. Payment for the professional services will be based on the actual work performed, and charged to the approved project or operating budget account for which the work is required.

No work will be initiated unless approved funds are available and the work assignments are approved.

Background

The support of the TTC Capital Program, Spadina Subway Extension to York Region and the proposed Transit City initiatives requires considerable use of multi-disciplined cost estimating services. Since sufficient estimating resources to perform all of the required tasks are not available in-house, it is essential that qualified additional resources be available to meet the Commission's project needs. The methods determined to best meet the expected demands are the supplementing of existing estimating staff resources with professional cost consultant services.

The work included in the Proposal consists of, but is not limited to: providing quantity surveys, full range cost estimates from order-of-magnitude to definitive, Engineer's estimates during tender process, cost evaluations and detailed variance reports, and estimates required during the construction phase. The

work will be carried out on an as-required basis under the direction of the Superintendent of Estimating on approved capital projects and operating budget activities over a period of three years.

Discussion

The Request for Proposals (RFP) consisted of two packages, the intent of Package 1 was to retain individuals to work within the Commission's offices on a full time basis and the intent of Package 2 was to retain a Consultant to work within their own offices on a Work Assignment basis. The companies could submit a Proposal for Package 1 work or Package 2 work or for both packages.

The RFP was publicly advertised on the TTC website as of May 22, 2008. Nine companies requested copies of the proposal documents out of which three submitted proposals as summarized on Appendix "A" for Package 2 work only. As Package 1 consists of working in the Commission's offices full time, a conflict of interest could potentially exist for any future requirements and therefore, no submissions were received for Package 1 work.

The recommendation for award is based on the lowest priced qualified proponent on the price schedule weighting which was pre-determined by staff and used for evaluation purposes.

All proposals received were reviewed and ranked by the evaluation team based on the criteria set out in Appendix "A". Following the determination of the final ranking, the pricing envelopes of the qualified proponents were opened and evaluated.

Based on the "Evaluation Price Schedule" of the qualified firms, Giffels Associates Limited submitted the lowest total evaluation price and their proposal is considered commercially acceptable. The pricing envelopes contained the hourly rates for the proposed staff.

The other qualified proponents were Pelican Woodcliff Inc. and Pendlebury Cost Consultants and are not recommended as they submitted higher prices. In addition, Pelican Woodcliff Inc. stated an exception to "Clause SC2 – Calculation of Fees and Expenses", and included their standard charge out rates which is considered unacceptable.

Justification

The award of the Estimating Services - Triennial Contract to Giffels Associates Limited is recommended on the basis of lowest qualified price.

August 12, 2008

80-151-154

1128016

Attachment: Appendix "A"

Appendix "A"

Procurement Authorization Estimating Services - Triennial Contract Contract G85-248 Proposal No. P11PC08751

List Of Proponents
(Alphabetically)

1. Giffels Associates Limited
2. Pelican Woodcliff Inc.
3. Pendlebury Cost Consultants

Evaluation Criteria

A. Corporate Qualifications/Experience

- Years in Business
- Relevant Corporate Experience
- Depth of Available Resources

B. Project Staff Qualification/Experience

- Years of Direct Experience
- Work of Similar Size & Nature
- Technical Qualifications

For each of the following disciplines:

Estimator No. 1 – Structural/Civil/Architectural

Estimator No. 2 – Structural/Civil/Architectural

Estimator No. 3 – Mechanical

Estimator No. 4 – Electrical

Note: Giffels Associates Limited is recommended for award. Bid by Pelican Woodcliff Inc. is considered unacceptable.

1128016