

## Request for Decision

<b>Title</b>	<b>Local Roads Reconstruction Program (LRRP) – Program Engineer Contract Award</b>
<b>Proposed Motion</b>	That Council award the contract for the Local Roads Reconstruction Program Engineer to Select Engineering Consultants Ltd., at a contract price of \$680,655 (not including GST).
<b>Administrative Recommendation</b>	Administration recommends that Council award the contract for the Local Roads Reconstruction Program Engineer to Select Engineering Consultants Ltd., based on the analysis of the submissions. Select Engineering Consultants Ltd. has submitted a proposal that meets all the project and procurement requirements.
<b>Previous Council Direction</b>	<p>December 20, 2017 – Motion 506/17 That Council approved the 2018 Operating and Capital Budget as amended.</p> <p>February 28, 2017 – Motion 091/17: That Council approve the funding required for Local Roads Reconstruction Program Design in the amount of \$53,520 (excluding GST) to be funded from the MSI operating budget.</p> <p>December 13, 2016 – Motion 455/16: That Council approve the 2017 Operating and Capital Budget as presented in the 2017 Budget Document.</p> <p>November 22, 2016 – Motion 424/16: That Council direct Administration to develop a detailed Local Roads Program to improve rural gravel roads utilizing Contract Services.</p>
<b>Report</b>	<p><u>Background Information</u></p> <ul style="list-style-type: none"> <li>In 2016, Sturgeon County undertook a review of the Local Roads Reconstruction Program (LRRP) to determine whether gravel road construction should be undertaken by Sturgeon County resources or by contracted services.</li> <li>The results of the review and subsequent approval of Council saw the delivery of this important program shift from Sturgeon County internal forces to externally contracted services.</li> </ul>

- 
- The program's objective was established to reconstruct, at a minimum, 128 kilometres of gravel local roads over a 10-year period.

#### Program Overview

- The LRRP will be specific to gravel local roads, the program will be multi-year and has been designed to progress through 4 Stages. Stage 1 - Potentials List, Stage 2 – Feasibility, Stage 3 – Project Preparations & Detailed Design, Stage 4 – Construction & Closeout.
- The program engineer will be working with the County primarily for Stage 2 – Feasibility of the program.
- The program engineer consultant will address the following:
  - Task 1 – Confirming or determining the design standards, material specifications, construction quality assurance / quality control procedures and other program-wide technical requirements and standards that will be needed throughout the full duration of the program.
  - Task 2 – Preliminary Engineering: Conduct preliminary engineering (which may include providing, procuring or sub-consulting field investigations and surveys) on the subject roads. The program engineer will identify land, utility, environmental and all various constraints, and provide preliminary engineering drawings and report for each road segment which concisely describes each project's scope, reconstruction approach, cost estimate, evaluation of options and best alternatives for roadway rehabilitation or reconstruction within the current right-of-way (ROW) or determine land requirements, location and other key features necessary to support procurement of the design and construction Engineer.
  - Task 3 – Annual Prioritization: Assist the County in the initial and subsequent annual project prioritization process as required. Provide recommendation for each annual project bundle (approximately 10) for the duration of the program, estimated to be 10 years.
  - Task 4 - Project Preparation: Where possible, initiate the process to obtain environmental, utility and permitting / approvals, and assist the County with various land-related activities for specific planned projects in an annual bundle. Task 4 activities may transition to the design and construction engineer to complete with detailed design.

#### Evaluation Criteria

- For this Request for Proposal, the main areas of consideration in the evaluation process were:
  - 10% - Understanding of the project;
  - 15% - Ability to meet the service requirements identified in section 2 (methodology);

	<ul style="list-style-type: none"> <li>○ 10% - Project team relevant experience;</li> <li>○ 10% - Similar projects completed;</li> <li>○ 5% - Experience of consultant company;</li> <li>○ 5% - Innovation;</li> <li>○ 10% - Value for money;</li> <li>○ 5% - RFP submission quality and clarity; and</li> <li>○ 30% - Cost.</li> </ul> <ul style="list-style-type: none"> <li>• Select Engineering Consultants Ltd. (SEC), was not the lowest bid submission; however, they submitted the proposal that scored the highest based on the proposal evaluation criteria mentioned above.</li> <li>• A reference check was completed, and feedback was positive from other municipalities. SEC was highly recommended. SEC has multi-year program experience with many municipalities in Alberta.</li> </ul> <p>Other Information – Corporate Procedure</p> <ul style="list-style-type: none"> <li>• Sturgeon County’s Procurement Process recommends that the lowest bid meeting the tender or request for proposal requirements and/or specifications will normally be accepted.</li> <li>• In the case of a consulting services contract, the best qualified proposal that has the highest score after the evaluation process is the consulting firm that Administration is recommending.</li> </ul> <p><u>External Communication</u></p> <ul style="list-style-type: none"> <li>• The LRRP Program Engineer - Request for Proposal was tendered through the Alberta Purchasing Connection, posted on February 23, 2018. Tenders closed on March 29, 2018.</li> <li>• Sturgeon County received three (3) bids ranging from \$1,660,384.20 to \$243,012.10 (excluding GST).</li> </ul> <p><u>Relevant Policy/Legislation/Practices:</u></p> <ul style="list-style-type: none"> <li>• Corporate Procedure prd_pro_exe_2014 indicates that request for proposals exceeding \$500,000 should be ratified at the following Council Meeting.</li> </ul>
<p><b>Implication of Administrative Recommendation</b></p>	<p><u>Strategic Alignment:</u></p> <p><b><u>Strong Local Governance and Regional Leadership</u></b> – The awarding of this contract would support Sturgeon County’s approved 2018 Capital Budget.</p> <p><b><u>Planned Growth</u></b> – Correcting this type of infrastructure deficiency demonstrates Sturgeon County’s commitment to fund improvements to existing assets that impact residents.</p>

**Maintain and Enhance Strong Communities** – The LRRP will demonstrate a commitment to the community that Sturgeon County is committed to maintaining and updating existing infrastructure.

**Respect the Natural Environment** – The LRRP will identify and comply with provincial and federal regulations and legislation.

**Operational Excellence** – The LRRP will deliver quality, cost-effective reconstruction services by improving the level of service of the roads that cannot be effectively addressed by Operations. This will improve resident safety and reduce future maintenance costs.

**Organizational:**

None.

**Financial:**

<b>Local Roads Reconstruction Program 2018-2020 - Budget</b>			
<b>Item</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Budget Pre-Engineering	\$400,000.00	\$-	\$-
Budget Engineering & Construction	\$-	\$2,000,000.00	\$4,000,000.00
<b>Total</b>	<b>\$400,000.00</b>	<b>\$2,000,000.00</b>	<b>\$4,000,000.00</b>
<b>LRRP – Program Engineer 2018-2020 – Estimated Costs</b>			
Program Engineer Pre-Engineering Actual Cost	\$222,977.00	\$231,993.00	\$225,865.00
Detailed Design & Construction Management - Cost	\$-	\$ TBD	\$ TBD
Construction - Cost	\$-	\$-	\$ TBD
<b>Balance</b>	<b>\$177,023.00</b>	<b>\$1,768,007.00</b>	<b>\$3,774,135.00</b>

The Local Roads Reconstruction Program is funded through base taxes, 2018 Operating and Capital budget as amended (Motion 506/17).





**Alternatives Considered**

1. That the County not award the contract at this time.

**Implications of Alternatives**

**Strategic Alignment:**

- Not awarding to the recommended proponent could result in inconsistency with the procurement procedure and bidder evaluation criteria established for this Request for Proposal.
- Not awarding a contract may be inconsistent with past Sturgeon County practices and procedures. Residents' expectations regarding prioritized road reconstruction and rehabilitation will not be met.

	<p><u>Organizational:</u></p> <p>None.</p> <p><u>Financial:</u></p> <p>Re-tendering at a later date may result in a higher tender cost.</p>
<b>Follow up Action</b>	Award the contract.
<b>Attachment(s)</b>	<ol style="list-style-type: none"> <li>1. Tender Results</li> <li>2. Procurement Directive</li> </ol>
<b>Report Reviewed by:</b>	<p> Mark Guerette, Senior Infrastructure Engineering Officer</p> <p> Brian Hartman, Manager Engineering Services</p> <p> Collin Steffes, GM Integrated Growth</p> <p> Bill Minnes, County Commissioner – CAO</p>

## Strategic Alignment Checklist

**Vision:** Sturgeon County: a diverse, active community that pioneers opportunities and promotes initiative while embracing rural lifestyles.

**Mission:** Provide quality, cost effective services and infrastructure to meet the diverse needs of the Sturgeon County community, while improving competitiveness and sustainability.

Focus Areas	Not consistent	N/A	Consistent
<b>Strong Local Governance and Regional Leadership</b>			
<i>We promote consistent and accountable leadership through collaborative and transparent processes (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Consistent with neighborhood role (see MDP), master plans, policies</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Considers fiscal stability and sustainability</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Has a positive impact on regional and sub-regional cooperation</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Respect the Natural Environment</b>			
<i>We acknowledge the importance of a healthy environment and will minimize and monitor our impact on ecosystems (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Compliance with Provincial and Federal regulations and/or legislation</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Ensure effective environmental risk management</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Community Identity &amp; Spirit</b>			
<i>We will build upon our strengths, where together we will create an inclusive, caring community (Strategic Plan, (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Promotes and/or enhances residents' identification with Sturgeon County</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Enhances service provision through community partnerships</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Supports Sturgeon County's cultural history</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Planned Growth and Prosperity</b>			
<i>We encourage varied and integrated enterprises that enhance our strong economic base, while balancing the needs of the community and natural environment. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Does the proposal align with the Integrated Regional Growth Strategy (map/policies) pg. 26 MDP</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Considers cumulative costs and long-term funding implications</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Targets growth around current or planned infrastructure</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Maintain and Enhance Strong Communities</b>			
<i>We are committed to a safe, secure community, where our residents are respected and provided with access to opportunities. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Positive impact on residents' quality of life</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Supports and promotes volunteer efforts</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Provides programs and services that are accessible to all residents</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Operational Excellence</b>			
<i>We have the organizational capability to deliver consistent and defined levels of service to all stakeholders in a professional, efficient, and cost effective manner</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Staff have the knowledge, skills and capability to perform their jobs</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Streamlines operational processes and policies</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Promotes engagement and professional interaction with stakeholders</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Considers a cost-structure which allows Sturgeon County to remain competitive within a regional, national and global context</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>