



To: Mayor Evans and Members of Council

From: Tim Leitch, Director of Public Works
Public Works Department

Prepared By: JF Robitaille, Engineering Manager
Public Works Department

Report Number: PWR-034-23

Meeting Date: 30 Aug 2023

Subject: **Consulting Services for a New Municipal Building**
Our File No: A19/43148/23

Recommendation

THAT Public Works Report PWR-034-23 regarding consulting services for the new municipal building be received;

AND THAT Council directs the Building Needs Assessment Committee to proceed with a Construction Manager at Risk approach rather than Design-Build for the new facility;

AND THAT Council directs the Building Needs Assessment committee to proceed with Phase 1 of the proposal from Lett Architects.

Background/Analysis

As detailed in Public Works Report PWR-033-23, earlier in 2023 the Building Needs Assessment Committee (BNAC) was reconvened. Prior to being paused, the last direction it had received from Council was through approved recommendation 61/20 which instructed staff to look at the "Owner's Statement of Requirements", among other items. This document would be used as part of the Design-Build construction contract methodology which the BNAC had gotten approval from Council to pursue through approved recommendation 284/19. However, there has been significant staffing and changes in Council since 2020 which impacted the makeup of the BNAC.

Construction Manager at Risk Methodology

The newly reformed members of the BNAC met with the procurement team at the County of Simcoe. This team deals with multi-million dollar construction projects on a regular basis and have used several different construction contract methodologies. Based on their experience they were moving away from Design-Build and the traditional Design-Bid-Build and started using Construction Manager at Risk. This has become a more common method over the past few years. They find that the traditional Design-Bid-Build methodology creates too much friction between parties and the Design-Build methodology created too much variation between what they had envisioned and what was actually delivered at the end of the project.

In the Construction Manager at Risk model an architect and consulting team is hired independently from the contractor, similarly to the traditional Design-Bid-Build method. However rather than a General Contractor, a Construction Manager is hired to do the construction. The Construction

Manager is brought on much earlier in the process than a General Contractor would be and provides input on the constructability of the design as it progresses as well as cost estimates. They are paid a lump sum rather than making profit on the actual construction. That way they are incentivized to ensure that construction documents are accurate and the project runs smoothly which isn't always true of the traditional methods. The owner is also privy to all the pricing they receive from subcontractors. Overall it is a much more open and collaborative process. The BNAC would like to proceed with this methodology rather than Design-Build.

Hiring of a consulting team

The BNAC is at a point where to move the project along any further a consultant is needed. In order to get pricing on such services, the committee put out a request for proposal for a consultant with the following scope of work:

- Phase 1: work with the Township to develop a new building program for the new facility, consult with staff and Council to determine the requirements of the new building, provide direction and advice to the BNAC, solicit public input on the new facility at a Public Information Session, and the preparation of schematic design for the new facility and site.
- Phase 2: Provide detailed design for the new building and act as the prime consultant carrying a team of standard sub consultants (mechanical, electrical, structural, civil, landscaping, energy modelling, and interior design), aiding the Township in hiring a Construction Manager, applying for all permits required, acting as contract administrator during construction, reviewing and monitoring construction, and assisting in furniture and equipment layout in the completed building, among other tasks.

The proponents were asked to submit packages detailing their company profiles, their approach to the design and completion of this project, a list of their experience with similar buildings, a list of references, a flat fee proposal to complete the work included in phase 1, and a percentage fee proposal to complete the work in phase 2 at the discretion of the Township.

At the time the Request for Proposals closed on June 29th 2023, twelve proposals had been received. A committee of four members of staff reviewed the proposals based on the following criteria and weighting:

CRITERIA	AVAILABLE SCORE
Company Profile	10
Experience	25
Project Approach	20
References	15
Pricing Proposal - Phase 1	10
Pricing Proposal - Phase 2	20
Total	100

The pricing proposals were scored based on the formula below:

(Lowest Proposal Price Among All Proponents ÷ Proponent's Price) x Available Score

After evaluating all criteria save for the references, there were four clear front runners. Therefore only the references of the top four proponents were contacted. The following table lists the final scoring of the proposals received:

PROPONENT	OVERALL SCORE	PRICING PHASE 1	PRICING PHASE 2
Lett Architects	89.89	\$78,125	5.63%
McCallum Sather	89.64	\$70,212	5.78%
+VG Architects	88.99	\$49,600	6.28%
Salter Pilon	85.32	\$127,300	5.71%
Ted Handy & Associates	80.03*	\$142,475	8.90%
ATA Architects	79.04*	\$139,000	6.75%
Mcknight Charron Limited	77.16*	\$87,000	9.80%
PAA, IHD, and Quantum	74.59*	\$109,950	7.13%
Raw Design Inc.	70.58*	\$154,750	7.91%
Thinkform Architecture	65.00*	\$36,240	N/A**
Arise Architects	58.20*	\$211,275	11%
V.A. Architect	55.83*	\$75,000	N/A**

* References were not checked - provided full score of 15 for this criteria

** Did not provide a percentage fee for Phase 2

Reviewed By Other Departments

Not applicable.

Options/Alternatives

Option 1:

Instruct the Building Needs Assessment Committee to proceed with the Construction Manager at Risk methodology and to retain the services of the highest scoring proponent, Lett Architects for the the scope of work included in Phase 1 of their proposal. The advantages of this firm are that they have a significant amount of municipal experience, they are located within the County of Simcoe, they come highly recommended from their references, they are environmentally focused, and they have the lowest proposed fee for Phase 2 should the Township move forward with the project.

Option 2:

Instruct the Building Needs Assessment Committee to proceed with the Construction Manager at Risk methodology and to retain the services of the second highest scoring proponent, McCallum Sather Associates for the the scope of work included in Phase 1 of their proposal. The advantages of this firm are that they have a very strong environmental focus which the BNAC believes is important to consider for this project, they would include a Net Zero Energy and Carbon study as part of their base proposal, they come highly recommended from their references, their proposed fee for phase 1 is

lower than Lett, and they have the third lowest proposed fee for Phase 2 should the Township move forward with the project.

Financial Implications

There is currently no capital budget for this item. To proceed with either Option 1 or Option 2, funds would be drawn from Capital Reserves to pay for billing in 2023. A budget for the project will be included in the 2024 Budget should we move forward.

Relationship to Strategic Plan

- Deliver Exceptional Municipal Services
- Create an Engaged, Informed & Connected Community

Conclusion

The Building Needs Assessment Committee recommends that Council proceeds with the Construction Manager at Risk methodology and Phase 1 of the proposal from Lett Architects.

Tim Leitch, Director of Public Works Approved - 18 Aug 2023

Haley Leblond, Director of Corporate Services/Deputy CAO Approved - 18 Aug 2023

Robert Lamb, Chief Administrative Officer Approved - 18 Aug 2023