



**City of Kingston
Report to Council
Report Number 16-239**

To: Mayor and Members of Council
From: Denis Leger, Commissioner, Corporate & Emergency Services
Resource Staff: Speros Kanellos, Director, Facilities Management and Construction Services
Date of Meeting: July 12, 2016
Subject: Award of Contract for Owner's Representative Services for the Airport Expansion Project

Executive Summary:

The purpose of this report is to seek Council approval to award a contract to WSP/MMM Group to provide owner's representative services for the airport expansion project.

WSP/MMM Group was the only firm to respond to the request for proposals. Staff has evaluated its submission and is recommending that it be awarded the contract. Since fewer than three proposals were received, Purchasing By-law 2000-134 requires that the award be approved by Council.

This report explains the role of owner's representative and provides details of the request for proposals, the WSP/MMM Group submission and the evaluation process.

Recommendation:

That Council authorize the Mayor and Clerk to enter into an agreement with WSP/MMM Group to provide owner's representative services for the airport expansion project and that the agreement be in a form satisfactory to the Director of Legal Services.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

Denis Leger, Commissioner, Corporate & Emergency Services

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

Gerard Hunt, Chief Administrative Officer

Consultation with the following Members of the Corporate Management Team:

Lanie Hurdle, Community Services	Not required
Jim Keech, President and CEO, Utilities Kingston	Not required
Desiree Kennedy, Chief Financial Officer & City Treasurer	Not required

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Options/Discussion:

The Business Case for Expansion – Kingston Airport recommended that the City consider modest improvements in airport infrastructure including a runway extension from 5,000 feet to 6,000 feet and an air terminal reconfiguration and expansion to improve accessibility to Kingston and to facilitate growth in air services in coming years.

The city had subsequently commissioned a Project Implementation Plan which was presented to Council with Report 12-219 dated July 17, 2012. The Implementation Plan provided key initial findings for the airport expansion project, provided preliminary cost estimates and identified the following next steps that needed to be undertaken:

- Development of a project definition document – to provide sufficient information and detail to solicit competitive bids from design-builders
- Completion of a screening level environmental assessment
- Selection of a Project Manager (Owner's Representative) to review and revise the Project Definition Document and to be on-site during the construction phase.
- Selection of a design-builder

Staff had originally presented the project definition document in November 2013 and last month presented the findings of the screening level environmental assessment. Staff and City consultants acknowledged that there were field observations being conducted in June 2016 and a forthcoming Stage 2 Archaeological Assessment which would be undertaken that would complete the screening level environmental assessment. The findings would identify mitigation measures to be undertaken during construction.

Owner's Representative

The Facilities Management and Construction Services department (FMCS) will be managing the design and construction phases of the airport expansion project. As recommended in the project implementation plan by LPS Avia, design and construction services will be procured through a design-build process. This model has been used successfully on other recent airport expansions in Ontario including Peterborough Airport.

In a design-build project, the owner issues a set of performance requirements and designers team up with contractors to submit proposals. Having the designers working collaboratively with the contractors has several advantages including better cost and schedule control. In order to ensure that the design/build team meets the performance requirements and that decisions made are cost-effective and in the owner's best interest and to assist in managing project risk, owners typically hire an owner's representative to provide expert advisory services and construction management services for the duration of this type of project. The owner's representative's role in this project will be to formulate the performance requirements for the passenger terminal reconfiguration and expansion and the lengthening of the main runway, update and further develop the draft project definition document (PDD), assist in the procurement of the design-build team, review design and construction documents, provide general review and contract

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administration services during construction and see the project through to completion and occupancy.

Request for Proposals

Facilities Management and Construction Services (FMCS) issued a request for proposals (RFP) in February for owner's representative services for the Kingston Airport expansion. The RFP closed on March 9, 2016. WSP/MMM Group was the only firm to submit a proposal. The submission was evaluated by a cross-departmental team which included the Airport Manager, Director of FMCS and the project manager on the basis of criteria and weightings set out in the RFP. WSP/MMM Group was further interviewed and provided additional written information on request to clarify several points in their proposal.

The WSP/MMM Group submission scored highly in all criteria including company profile, experience and references, proposed methodology and accessibility statement. The City evaluation team had no other proposals against which to compare costs, however the WSP/MMM Group's fee of \$280,900 + HST is within the anticipated budget for this service and appears to be fair and reasonable in relation to the expertise that it brings and the level of effort outlined in the proposal. The overall score, including full points for the fee component, is 93 out of 100.

The team members assigned to the project have extensive experience in airport expansion and reconfiguration projects and are thoroughly familiar with the technical and operational aspects of passenger terminal and runway design and construction. Most of the team members were involved in previous assignments at Kingston Airport including the development of the airport master plan, the airport expansion implementation plan and the creation of the draft project definition document. WSP/MMM Group has previous experience as owner's representative on design-build projects in Ontario and has a good understanding of the role.

The low response to the RFP may be due to two factors. Firstly, the number of engineering firms qualified to take on a project of this nature has been reduced due to mergers and acquisitions amongst engineering firms. For example, LPS Avia and MMM Group, both of which have formerly provided consulting services to the City for the Kingston Airport, are now under the umbrella of WSP. Secondly, in order to objectively and effectively take on the role of owner's representative, the RFP indicated that the firm selected as the owner's representative was not allowed to bid on the design-build contract which is a much bigger assignment. Other qualified proponents may have opted to wait and respond to the design-build RFP instead.

Staff recommends that Council proceed with the award of contract to WSP/MMM Group for owner's representative services for the airport expansion project..

Schedule

The owner's representative will update the project definition document over the summer and fall of 2016. A request for proposals to select a design-builder will be issued this fall with the intention of awarding a design-build contract by January 2017. The design work will be

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completed over the winter and spring of 2017. Construction is anticipated to begin in the summer of 2017 and be completed by the spring of 2018.

Budget

During its 2016 budget deliberations Council approved capital funding in the amount of \$16,100,000 for the airport expansion project. An updated project definition document will review any amendments required resulting from changes to the Aerodromes Standards and Recommended Practices (TP 312) and the City's air services development strategy.

Existing Policy/By-Law:

By-Law 2000-134, "A By-Law to Establish Purchasing Policies and Procedures for the City of Kingston", as amended.

Notice Provisions:

There are no notice requirements for this report.

Accessibility Considerations:

The *Accessibility for Ontarians with Disabilities Act, 2005* is a consideration and forms part of the evaluation criteria of all Requests for Proposals administered by the City of Kingston.

Financial Considerations:

There are sufficient funds available in the approved 2016 capital budget to proceed with the award of a contract for owner's representative services as recommended in this report.

Contacts:

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Debra Krakow, Project Manager, 613-546-4291 ext. 3120

Other City of Kingston Staff Consulted:

David Snow, Airport Manager

Janis Morrison, Purchasing Coordinator, Financial Services

Exhibits Attached:

None