



**DEVELOPMENT AND INFRASTRUCTURE SERVICES – ENGINEERING SERVICES**  
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January 13, 2014

**DEVELOPMENT AND INFRASTRUCTURE SERVICES REPORT  
ENGINEERING SERVICES ES2013-49**

TO: Committee of the Whole

SUBJECT: Checking Consultant Professional Consulting Services Contract Extension

ORIGIN: Director, Engineering Services

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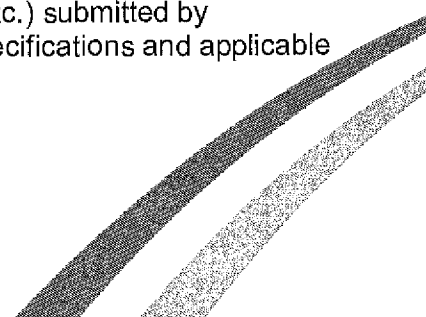
**RECOMMENDATIONS**

**THAT Development and Infrastructure Services Report – Engineering Services 2013-49 dated January 13, 2014 regarding the Checking Consultant Professional Consulting Services Contract Extension be received and the following recommendation(s) be adopted:**

- 1. THAT Council approve the execution of the Professional Consulting Services Agreement with R. J. Burnside and Associates Limited for a 5 year term to provide checking consulting services at preferred client discounted rates adjusted annually in accordance with industry standards;**
- 2. AND THAT the Mayor and Town Clerk be authorized to execute the Professional services contract;**
- 3. AND THAT Mr. Dave Scomazzon, P. Eng., of R. J. Burnside and Associates Limited be notified of this action.**

**COMMENTS**

The Agreement for "Professional Consulting Services" between the Town and R.J. Burnside and Associates Limited (RJB) expired in February 2013. The expired Agreement was for a 5-year term during which RJB would provide professional consulting services for the Engineering components of subdivision and larger development applications. This would include reviewing and coordinating engineering comments from zoning by-law and official plan amendments, as well as reviewing and commenting on plans, specifications, environmental studies, noise studies, soils management, functional servicing reports (water and wastewater issues, traffic impact studies, stormwater management, etc.) submitted by developers and ensuring that all of these conform to our Town standards and specifications and applicable regulations.



It should be noted that all of RJB's invoices are received by the Town, but it is not the Town that ultimately assumes the costs of the services. The Town is reimbursed for the services by re-attributing costs to individual developers for the work required to process their particular developments. Ultimately, the Developers pay for ALL of the costs for RJB's services.

RJB provides its services in its contract with the Town at a preferred client discounted rate (14% discount) compared to what they would charge other clients. RJB has offered to renew the expired contract without making any changes to the terms of the Agreement.

The contract stipulates that RJB's hourly rates are reviewed and adjusted on an annual basis. The annual review incorporates the cost of living index and industry trends, but is not less than the cost of living index for the Metro Toronto area as determined by the Government of Canada for the previous 12 months. This clause provides fairness when compared with industry standards while still ensuring that the Town retains its preferred client status rate. Furthermore, the rates being charged by RJB are well below the Fee Guidelines for Professional Engineering Services that are published by the Ontario Society of Professional Engineers (OSPE) and endorsed by Professional Engineers Ontario (PEO).

Now that a new Director of Engineering Services is in place, the expired Agreement and the Town's Procurement By-Law have been reviewed, and an evaluation of the services provided by RJB has been completed. The Director, along with Town Staff and the Chair of the Development Coordination Committee, have concluded that this contract is very favourable to the Town and to the Developers that it serves.

RJB has been providing professional consulting services for the Town for many years and has worked closely with Staff in Engineering Services, Public Works Services, Planning & Building Services and with the Town's Development Coordinator, who also chairs the Development Coordination Committee. Evaluations of RJB's performance received from Staff and from the Town's Development Coordinator have been very positive based on the quality, efficiency and timeliness of the services provided by RJB. We have also found RJB to be extremely good communicators in terms of the flow and accuracy of information between the developers, peer reviewers and the Town. As a key member of the Town's Development Coordination Committee, RJB has been proactive and effective in expediting the detailed review of Developers' engineering design submissions and in soliciting comments and keeping the Town informed of all issues that may arise.

Based on the high quality of service, Staff recommends that the Agreement for Professional Consulting Services with RJB be extended for another 5-year term with the rates to reflect the Town's preferred customer discount status. The recommended extension will avoid unnecessary delays and significant transition costs associated with engaging a new Consulting Consultant, as explained further below.

Renewing the RJB Agreement without embarking on a competitive bid process is justified for many reasons:

1. Renewing the RJB Agreement without a competitive bid process can be justified by meeting only one of the clauses in the Town's Procurement By-Law. However, there are four of the clauses in the "Single Source" section under the Town's By-Law that apply to this renewal. The Town's Procurement By-Law, Section 12.6 "Single Source" states that "Single Source purchasing may be

*conducted for the procurement for goods service(s) or construction of any contract value without the competitive Bid process, when any of the following circumstances apply:*

- i. *For reasons of standardization, warranty, function or service, such as: technical qualifications* (in this case, the technical qualifications that RJB possesses are required for this service and RJB is completely knowledgeable of the standards, specifications, history and background required for the work whereas a new consultant would not.);
  - iii. *Where compatibility with an existing product, equipment, facility or service is a paramount consideration* (in this case, compatibility with the service provided by the Development Coordination Committee is essential to ensuring that the service is provided seamlessly, efficiently and in a timely and continual basis without any delays; RJB has proven its functionality and compatibility within that existing service therefore the service to Developers and to the Town can continue without interruption only if RJB is to continue the work);
  - v. *Where the contractor possesses the unique and singularly available capability to meet the requirements, such as, skills related to and/or existing knowledge of the nature of the service* (in this case, RJB possesses the unique capability to meet the requirements such as existing knowledge of the nature of the service; a new contractor would require an extended period of time to reach the level of knowledge, the nature of the services and the background required to perform the work; therefore, there would be a significant lapse in time during which the work would not be done efficiently and in a timely manner as the new consultant would be learning the ropes. There would be unacceptable delays as Developers would have to wait for their applications and plans to be reviewed.);
  - vi. *Ability to deliver at a particular time* (in this case, RJB is the only contractor who can deliver continuously and seamlessly as required by the development application process due to the reasons outlined both above, and further below).
2. Of the three Directors in the Development and Infrastructure Services Commission, two are recent hires who have been with the Town for less than a year. If a new consultant were to be hired at this time, it is doubtful that the price could be much better than what RJB is currently charging and there would be a considerable breach in the continuity of the work to be done. It would take several months for the new consultant to familiarize themselves with the numerous development files. The two new Directors would not have the knowledge to be able to provide any background or history about the developments. The disruption to the continuity of the process would jeopardize the entire development review process and the efficiency of the Town's Development Coordination Committee. RJB possesses all of the prior knowledge, experience and background needed to allow the process to continue seamlessly without any delays to the Town and the Development community.
  3. The rates being proposed by RJB are very favourable to the Town. Fees for services provided by Consulting Engineers are normally based on standard fee guidelines that are published in the Ontario Society of Professional Engineers' (OSPE's) "Fee Guidelines for Professional Engineering Services". RJB currently charges the Town significantly less than the most recent rates published by the OSPE.

4. The quality, efficiency and timeliness of the services provided by RJB have been beyond reproach over the past 5 years. There has been a continued rapid turn-around time for the review of planning applications and designs for subdivisions and the comments made by RJB have always respected the Town's best interests while still working favourably with developers. Communication and coordination between RJB, the Town and the Developers has been excellent and RJB has been proactively engaging the Developers, Consultants and the Town in moving in a positive direction on all developments.
5. Changing our consultant through a competitive bid process at this time would result in additional costs and delays to the Town and to the Developers. The Town would have to keep BOTH the existing and new consultants on board during several months while the RJB follows-up and ties up all loose ends with its existing files. RJB would also have to discuss files with the new consultant through the transition period. The new consultant would require several months to be up to speed on the files and processes involved and to become familiar with the Town's Official Plan, Secondary Plan and our Standards and Specifications for subdivisions and developments. The two new Directors would not have sufficient history and background to be able to provide the level of assistance needed for this learning process. To avoid any delays to Developers, the two consultants (RJB and the new firm) would have to work in tandem until the new consultant could take over the complete functions of the "Checking Consultant" for the Town. The exact costs and the length of delays cannot be quantified at this time, as they would depend on the number and complexity of reviews that need to be handled and how fast the new consultant would be able to become familiar with all of the information required to continue the work, but it is expected that these would be significant.

For the above reasons, staff recommends that the expired agreement be renewed with RJB as soon as possible.

## **BUSINESS PLAN AND STRATEGIC PLAN LINKAGES**

### **Well Equipped and Managed**

Provide thorough and timely consideration of applications for development and redevelopment in accordance with statutory requirements through the management of the application process that includes co-ordination with and across all impacted Town departments.

## **CONSULTATION**

There was internal consultation with Public Works Services, Planning & Building Services and with the Town's Development Coordinator.

## **HUMAN RESOURCE CONSIDERATIONS**

There are no recommended additional human resources required as part of this report.

## **BUDGET IMPACT**

There is no cost implication to the Town associated with the recommendations of this report. The Town's development community currently pays all costs associated with Development Checking Consulting Services.

## **CONTACT**

For more information on this report, contact: Rick Bingham, Manager, Engineering & Technical Services, at extension 2505 or email [rbingham@newmarket.ca](mailto:rbingham@newmarket.ca).



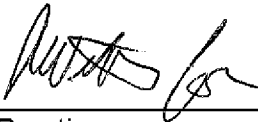
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Rick Bingham, P.E.T.  
Manager, Engineering & Technical Services



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Rachel Prudhomme, M.Sc., P.Eng.  
Director, Engineering Services



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Robert Prentice  
Commissioner, Development and Infrastructure Services