3. MUNSTER HAMLET - WASTEWATER TREATMENT FACILITY - PROJECT IMPLEMENTATION PLAN

COMMITTEE RECOMMENDATION AS AMENDED

That Council approve staff enter into negotiations with the two pipeline proponents, now acting as one (Thorburn Penny Limited / Oliver, Mangione, McCalla & Associates / Taggart Construction Limited) upon filing of the addendum to the Environmental Study Report, and that any contract negotiated be awarded by the Corporate Services and Economic Development Committee and Council.

DOCUMENTATION:

- 1. Environment and Transportation Commissioner's report dated 02 Dec 98 is immediately attached.
- 2. Letter from Mr. James E. Taggart, Taggart Construction Limited, dated 04 Jan 99 immediately follows the report.
- 3. Extract of Draft Corporate Services and Economic Development Committee Minute, 05 Jan 99, immediately follows the letter and includes a record of all votes.

REGION OF OTTAWA CARLETON RÉGION D'OTTAWA CARLETON

REPORT RAPPORT

Our File/N/Réf. Your File/V/Réf.	50 19-92-0027-V
DATE	2 December 1998
TO/DEST.	Co-ordinator Corporate Services and Economic Development Committee
FROM/EXP.	Acting Deputy Commissioner Environment and Transportation Department
SUBJECT/OBJET	MUNSTER HAMLET - WASTEWATER TREATMENT FACILITY - PROJECT IMPLEMENTATION PLAN

DEPARTMENTAL RECOMMENDATION

That the Corporate Services and Economic Development Committee and Council approve that the construction of the pipeline and related works required to transfer Munster Hamlet wastewater to the Regional Wastewater Collection system be tendered in accordance with Section 4.5 of the Corporate Policy Manual.

BACKBROUND

On 11 March 1998 Council directed staff to conduct a thorough review of new and innovative technologies as well as those reviewed in the original ESR, confirm the selection of a preferred alternative and prepare an addendum if required. As a result of this direction, the firm of Conestoga-Rovers and Associates was retained to complete the work as described.

As a part of the evaluation process, a Request for Proposal document was issued to solicit proposals for new and innovative technologies to address the problems in Munster Hamlet. It should be noted that it is unusual to solicit proposals during the Environmental Assessment process. During this proposal call at the mandatory site meeting, it was made clear to all proponents that CRA would be evaluating the pipeline option as well as lagoon and spray irrigation technology and other possible treatment options as part of their terms of reference. Nevertheless, two unsolicited proposals were submitted that proposed the use of a pipeline.

After an exhaustive review of the alternatives combined with extensive public input and involvement, the recommended preferred alternative was to construct a pumping station and

pipeline to convey the wastewater to the Regional collection system and subsequently on to the R.O. Pickard Environmental Centre for treatment.

During the course of the public consultation process and at the Planning and Environment Committee meeting of 10 November, the issue of how the preferred alternative was to be implemented was raised. Of particular concern was whether the Region would consider accepting either of the unsolicited pipeline proposals. The Department has reviewed this issue in consultation with the Legal Department and the Supply Management Division, and recommend that the project implementation proceed in the design, tender and construct manner. This is in accordance with Section 4.5 of the Corporate Policy Manual entitled Tenders, Negotiations and Proposals. This recommendation is based on the fact that the RFP did not request proposals for a pumping station and pipeline. In the opinion of staff the unsolicited proposals submitted cannot be considered to be the result of a competitive process and therefore may not represent the best value to the Region.

Further, it is staff's opinion that in order to implement either of the unsolicited proposals, significant modifications of the proposed designs would be necessary. These modifications would have to be negotiated without a competitive frame of reference.

SCHEDULE

Once the preferred route has been selected it will be necessary to complete the Environmental Assessment process by filing an Addendum to the Environmental Study Report and to initiate an amendment to the Regional Official Plan to allow connection of Munster Hamlet to the wastewater collection system. It is anticipated that this process may take at least a year and will likely result in a construction start during 2000.

CONSULTATION

Throughout the extensive public consultation component of the Class Environmental Assessment Process a recurring comment was that a fair, open and transparent process was critical to the successful completion of the work program for Munster Hamlet. In a similar respect, by using the traditional design, tender and construct approach, the maximum number of contractors and consultants will have an opportunity to apply their expertise to the project. This will ensure that the residents of Munster Hamlet receive the best possible solution at the most cost effective price.

Approved by Nancy B. Schepers, P.Eng.

SF/jw



January 4, 1998

Regional Municipality of Ottawa-Carleton Corporate Services and Development Committee 111 Lisgar Street Ottawa, Ontario Fax: (613)560-1380

To Committee Members:

RE: MUNSTER HAMLET WASTEWATER TREATMENT FACILITY

On July 3, 1998, pursuant to RMOC request for proposals, Taggart Construction Ltd., along with three other proponents, submitted a design build proposal for the above project. Our proposal consisted of a pipeline to the Regional Wastewater Collection and Disposal System, a solution that had not been seriously considered prior to the RFP process.

The pipeline has been recommended to be the best and most economical solution to the Munster sewage problem. Our proposal consisted of route selection design, soils investigation and pricing. This process involved spending considerable time and money to enable us to put this proposal forward.

With this proposal in hand, the Environment and Transportation Department has now recommended that a conventional design and tender process now be undertaken for the project.

We believe this undermines the whole design build process and is unfair to us and the other proponents who have submitted on this RFP because our proposals are a matter of public record and the Region has received the benefit of our proposals without cost.

Our design build proposal ensures that the Region will receive the benefit of a better solution at a considerable savings in both capital cost and ongoing cost as compared to the originally chosen spray irrigation solution.

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We believe that negotiating with the preferred proponent is the only fair way to proceed with this project and will probably result in a considerable time saving.

Yours truly AGGART CONSTRUCTION LIMITED

James E. Taggart, P.Eng. Chairman