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**To:** Mayor and Council

**From:** Mahesh Ramdeo, General Manager, Infrastructure and Operational Services

**Date:** May 10, 2023

**Subject:** Award – Design Build of the New Springwater Fire Station at 1132 Snow Valley Road, RFP 2022-42-PW

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### Report Highlights

- On June 15, 2022, Council approved the design concept for the new Fire Station at 1132 Snow Valley Road.
- Staff pre-qualified three contractors for the Request for Proposals and released the design-build project on December 01, 2022.
- Tenders closed on February 23, 2023, and the Township received three (3) proposals.
- Staff recommend the award of the Design-Build of the new Springwater Fire Station at 1132 Snow Valley Road, RFP 2022-42-PW, to Berkim Construction Inc. in the amount of \$7,649,852 plus HST or \$7,784,489 with HST recoveries.
- Staff recommend Council approve the retention of the project architect, Masri-O Inc. to undertake Phase 2 of RFP 2021-23-FES in the amount of \$444,740 plus HST or \$452,567 with HST recoveries.
- Staff recommend Council approve the increase in the project to \$8,580,065 to be funded 85.7% from development charges and the balance from debt.

### Recommendation

That the report from the General Manager, Infrastructure and Operational Services, Award – Design-Build of the New Springwater Fire Station at 1132 Snow Valley Road, RFP 2022-42-PW, dated May 10, 2023, be received; and,

That Council approve the award of the Design-Build of the new Springwater Fire Station at 1132 Snow Valley Road, RFP 2022-42-PW to Berkim Construction Inc. for \$7,649,852 plus HST or \$7,784,489 with HST recoveries; and,

That Council approve the retention of the project architect, Masri-O Inc. for Phase 2 of RFP 2021-23-FES in the amount of \$444,740 plus HST or \$452,567 with HST recoveries; and,

That Council approve the addition of \$730,065 to the project budget (2014-07), increasing overall funding to \$8,580,065 from \$7,850,000, and,

That the Mayor and Clerk be authorized to execute the agreements with Berkim Construction Inc and Masri-O Architects.

## Background

The Midhurst area of Springwater is growing, and the 10-Year Capital Plan identified a need for a new Midhurst Fire Station funded through Development Charges and Debt.

In 2020, the Township acquired the Hasty Tract lands at 1132 Snow Valley Road, with the intention to build the New Fire Station. The facility would include a four-bay Fire Station capable of 24-7 operations and facilities for Springwater's Fire & Emergency personnel. This facility could serve the Township for 40 plus years.

In 2021, staff went to the market to secure a contractor to design and build the new Fire Station. After a technical evaluation, staff opened the bids, and all were over budget. As a result, Council cancelled the design-build process and authorized the hire of an Architect/Engineer to assist staff in preparing the designs and tender for a new design-build process.

The Township released RFP# 2021-23-FES on October 5, 2021, and on December 15, 2021 Council approved the award of Phase 1 of the consulting assignment to Masri-O Architects in the amount of \$189,670 plus HST or \$193,008, including HST recoveries. Phase 1 covered:

- a. Preliminary Design and Tendering; and
- b. Allowance for Geotechnical and Hydrogeological Investigations.

Phase 2 was a provisional item that was included in RFP# 2021-23-FES that was not awarded at the time. Phase 2 includes:

- a. Contract Administration and Field Review, including the Design-Build and Construction Phases.

Staff now recommend the acceptance and award of Phase 2 of RFP# 2021-23-FES to Masri-O Architects in the amount of \$444,740 plus HST or \$452,567 with HST recoveries.

On June 15, 2022, staff brought a new Fire Station concept to Council and subsequently moved to the design-build Request for Proposals from the proponents.

Following a pre-qualification process, the Township released the RFP for the new Fire Station on December 1, 2022 and that procurement closed on February 23, 2023 with three proposals being received. This was followed by a value engineering process. Staff then worked with the two lowest priced proponents on a confidential basis to review ways to deliver better value, a similar quality of facility at a better price. The Township received the best-and-final-offers (BAFO) on April 23, 2023. This value engineering/BAFO process saved the Township over \$590,000.

The lowest priced compliant proponent is Berkim Construction Inc., with a BAFO price of \$7,649,852 plus HST or \$7,784,489 with HST recoveries.

The Design-Build proposal does not include furnishings or Township security features such as cameras and touch points. The estimate of costs for these items is \$150,000 including HST recoveries.

The current estimate of the total project cost is \$8,580,065, as detailed below, to be funded 85.7% from development charges and the balance from debt.

- Architectural Consultant – \$645,576 including HST recoveries (Phase 1 - \$193,008 and Phase 2 - \$452,567).
- Design-Build Contractor - \$7,784,489 including HST recoveries.
- Furnishings and Security Features - \$150,000 including HST recoveries.

The approved project budget for the new Fire Station is \$7,850,000. The current project is estimated at \$8,530,065 which requires a further funding amendment of \$730,065. This project is funded 85.7% from Development Charges and the remaining is proposed to be funded from debt.

## **Conclusion**

Staff released RFP 2022-42-PW for the Design-Build of the New Springwater Fire Station at 1132 Snow Valley Road on December 1, 2022. After the receipt of proposals and a value engineering process, staff recommend the award of RFP 2022-42-PW to Berkim Construction Inc., in the amount of \$7,649,852 plus HST or \$7,784,489 with HST recoveries.

Staff also recommend the authorization of Phase 2 of RFP# 2021-23-FES for the architectural assignment to Masri-O Architects in the amount of \$444,740 plus HST or \$452,567 with HST recoveries.

Staff also recommend amending the project to include \$150,000 for furnishings and security cameras and contact points.

Staff seek Council approval of an amendment of the project budget (2014-07) from \$7,850,000 to \$8,530,065 with the additional \$730,065 to be funded 85.7% from Development Charges and 14.3% from debt.

## **Financial Implications**

Project 2014-07, as identified in the 10 Year Capital Plan has a budget of \$7,850,000 and is to be funded 85.7% from Development Charges and the balance is to be funded by debt. The additional \$730,065 to the project budget is proposed to be funded in a similar manner.

## **Pillars of Commitment**

The above initiative supports the following Strategic Pillars of Commitment:

- Infrastructure, Financial Management & Service Delivery

**Approvals**

**Submitted by:** Mahesh Ramdeo, General Manager, Infrastructure and Operational Services

**Reviewed by:** Mahesh Ramdeo, General Manager, Infrastructure and Operational Services

**Financial Implications Reviewed by:** Jas Rattigan, CPA, CGA, Director of Finance

**Approved by:** Jeff Schmidt, CPA, CGA, Chief Administrative Officer

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**Background or Relevant Reports on Subject**

[2022-06-15 Fire Station Update Staff Recommendation Report](#)

[2022-06-15 Appendix A – Main Floor Plan](#)

[2022-06-15 Appendix B – Site Plan](#)

[2021-12-15 - Notice of Award – Design of New Fire Station](#)