



CORPORATION OF THE TOWNSHIP OF ESQUIMALT

Municipal Hall
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REQUEST FOR DECISION

DATE: February 11, 2021

Report No. CSS-21-004

TO: Laurie Hurst, Chief Administrative Officer

FROM: Blair McDonald, Director of Community Safety Services

SUBJECT:

Recommendation for Contract Award - Construction Management Services - Public Safety Building

RECOMMENDATION:

That Council award Kinetic Construction Ltd., the contract for Construction Management Services for the Public Safety Building [PSB] and direct staff to finalize the Professional Services Agreement, as outlined in Staff Report No. CSS-21-004.

RELEVANT POLICY:

Financial Plan Bylaw 2020, No. 2986
Purchasing and Disposal Bylaw, 2014, No. 2845

STRATEGIC RELEVANCE:

Healthy, Livable and Diverse Community: fully utilize the McLoughlin amenity funds to maximum potential.

BACKGROUND:

The Township posted a public Request for Qualifications call, as per the Township's purchasing policies and bylaws, for Construction Management Services to provide advice and construction

expertise during the planning phase for the Public Safety Building (PSB). Seven firms submitted qualifications. All submissions were evaluated against a matrix and four firms were selected to move on to the Request for Proposals stage of procurement. Proposals were received from all four proponents. Township staff and Core Project Management completed a thorough review and comparison of the proposals received. From the four proponents, two were selected for interview.

ISSUES:

1. Rationale for Selected Option

At the conclusion of the interviews, the two proponents were scored based on their performance and responses and based on these scores Kinetic Construction Ltd. was identified as the preferred proponent. Further reference checks were conducted.

Following the interview process, the Public Safety Building Working Group, consisting of Chris Jancowski, Fire Chief, Blair McDonald, Community Safety Services Director, Laurie Hurst, Chief Administrative Officer, Inspector Michael Brown, VicPD, Esquimalt Division, and Alec Page of Core Project Management unanimously agreed that Kinetic Construction Ltd. was the preferred proponent to provide Construction Management Services to the Township.

Proponent	Overall Evaluation Score (/200)
Kinetic	159
Farmer	147
Knappet	133
Maple Reinders	132

The first stage of work is known as Pre-Construction CM (Construction Manager) services. The below table contrasts the fee submissions submitted by the four proponents. It should be noted that financials only made up a portion of the evaluation criteria.

Proponent	Pre-Con CM Fee
Kinetic	\$47,000 (7 Months)
Farmer	\$59,575 (7 Months)
Knappet	\$15,000 (2 Months)
Maple Reinders	\$98,800 (4 Months)

2. Organizational Implications

This project is incorporated into existing staff work plans. This award recommendation is for pre-construction services only; however, it is the intent that, following pre-construction, the fixed-price contract will be awarded to Kinetic Construction Ltd. based on their submitted General Requirements, fee, and subtrade contract packages to be tendered later. Therefore, the submissions in these criteria were also part of this evaluation. The below table compares the proponents' submissions. By awarding the pre-construction phase of the project, the successful proponent is also agreeing to fix their General Conditions (GC's), Fee percentage, and schedule duration. While it is not an absolute requirement to proceed with Kinetic Construction Ltd. as the

General Contractor, it is the intent of both Township staff and Kinetic that this will be the case.

Proponent	Fee Percentage	General Conditions
Kinetic	1.40%	\$2,097,239.00
Farmer	2.75%	\$1, 654,830.00
Knappet	2.88%	\$1,499,700.00
Maple Reinders	2.25%	\$1,996,862.00

3. Financial Implications

There was a total of \$7.1 million in amenity funding available to contribute to the overall costs of the PSB. To this point, approximately \$500000 has been expended. The eventual scope of the project will determine how much additional funding will be required. As the preliminary budget for the construction of the PSB and associated costs (Design services, building demolition, temporary police and fire facilities, furniture and equipment, consultant fees, and so on) is anticipated to be approximately \$42 million, the Township will have to borrow the necessary funds to proceed with construction. Staff will be recommending that Council consider a Loan Authorization Bylaw and enter into an Alternative Approval Process (AAP). A staff report in March will present the bylaw and the associated process for Council's consideration.

4. Sustainability & Environmental Implications

Construction designs are currently being refined with an aim to minimizing environmental impacts.

5. Communication & Engagement

A multi-phased engagement process has been undertaken by the Township to inform the use of the McLoughlin Amenity Funds.

The above-mentioned AAP will again solicit input from the residents of the Township and a robust communication plan surrounding the AAP would be developed.

ALTERNATIVES:

1. That Council award Kinetic Construction Ltd., the contract for Construction Management Services for the Public Safety Building and direct staff to finalize the Professional Services Agreement.
2. That Council does not award the Construction Management Services Contract and refer the matter back to staff for more information.