



Staff Report

Report To: Dan Best, Chief Administrative Officer
From: **Don Giberson, Environmental Services Director**
Date: April 3 2018
Report: ESD.18.15
Subject: Water and Sewer Rate Study and Water Financial Plan Update - Request for Proposals

Recommendations:

That South Huron Council receive the report from Don Giberson, Environmental Services Director Re: Water and Sewer Rate Study and Water Financial Plan Update - Request for Proposals AND;

That South Huron Council accepts the proposal received from Watson & Associates Economists Ltd. and authorizes the award of a contract to Watson & Associates Economists Ltd. for professional services associated with a Water and Sewer Rate Study and Water Financial Plan Update in the amount of \$44,900 plus HST.

Purpose:

The purpose of this report is to notify Council of the results of the RFP for a Water and Sewer Rate Study and Water Financial Plan Update; and to recommend award of a professional services contract to the proponent with the highest RFP evaluation score.

Background and Analysis:

The Request for Proposal for a Water and Sewer Rate Study and Water Financial Plan Update was advertised on the Biddingo web site on January 30, 2018. Biddingo is an on-line procurement service for public sector

tenders, quotations and RFPs. Advertising on Biddingo is in accordance with section 9(b) of the Procurement By-Law#33-2017.

The Request for Proposal closed on Wednesday, February 28, 2018 at 2:00pm and three (3) proposals were received by the Municipality. This Request for Proposal was a two envelope process, with the technical submission in a separate envelope from the budget/fee structure for the cost of professional services.

The envelopes containing the technical portion of the proposal (Envelope#1) were opened by Deputy Mayor Dave Frayne, in the presence of Dan Best CAO, Angela Shipway, Financial Analyst; Don Giberson, ESD Director and several contractors. The second envelope containing the budget/fee structure for the cost of professional services (Envelope#2) remained unopened until after the technical portion of the proposal was reviewed and scored by the RFP Review Committee.

Proposals were received from BMA Management Consulting Inc., Watson & Associates Economists Ltd., BM Ross & Associates. The first envelope with the technical proposals were evaluated and scored by a RFP Committee comprised of Sandy Becker, Treasurer; Don Giberson, ESD Director; and Dan Best CAO.

The RFP's were evaluated based on the criteria set out in the RFP and in accordance with to the Purchasing and Procurement By-Law#33-2017. The following is the evaluation criteria:

Evaluation Criteria	Weighting
Demonstrated performance of the firm for contracts of this size and nature for municipalities of similar size including but not limited to Firm Profile, References	25
Relevant experience and qualifications of key personnel identified to perform the work including but not limited to Audit Team Information, Project Experience.	15
Approach and methodology to meet the Municipality's requirements including but not limited to Understanding, Details, Action Plan	30
Advisory Services, additional value-added services	10
Cost	20
Total	100

All proposals were found to be in conformance with the submission requirements and within the approved budget amount. The technical portion of the proposals (Envelope#1) were evaluated and scored by the RFP Review Committee separate from the budget/fee structure (Envelope #2).

Based on a review of Envelope#1 (technical) and Envelope#2 (fee structure) the proposal submitted by Watson & Associates Economists Ltd. received the highest overall score.

The following is the summary of the RFP evaluation scoring:

	Demonstrated performance	Relevant experience	Approach and methodology	Advisory Services	Technical Rank	Cost	Rank
Proponent	25%	15%	30%	10%		20%	100%
Watson & Associates	1	1	1	2	1	3	1
BMA Management	2	2	2	1	2	1	2
BM Ross & Associates	3	2	3	3	3	2	3

Operational Considerations:

None were considered.

South Huron's Strategic Plan:

Section 6.2.2 of the Municipality of South Huron 2015- 2019 Strategic Plan identifies key objectives that are reflective of the collective perspectives of the strategic planning process.

The recommendations and actions outlined in this report are reflective of the following strategic objectives:

Administrative Efficiency and Fiscal Responsibility

Increased Communications and Municipal Leadership

Transparent, Accountable and Collaborative Governance

Dedicated Economic Development Effort

Financial Impact:

The approved 2018 Water and Sewer Operating Budgets included a cost of \$61,000 for a Water and Sewer Rate Study and Water Financial Plan Update. The cost of the proposal received from Watson & Associates Economists Ltd., including non-recoverable HST, is \$45,690.24. This is within the total amount budgeted in the Water and Sewer Operating budgets.

Legal Impact:

There are no legal implications for the Corporation resulting from the proposed recommendation.

Staffing Impact:

There are no staffing implications for the Corporation resulting from the proposed recommendation.

Policies/Legislation:

1. Safe Drinking Water Act, 2002, S.O. 2002, c. 32
2. Ontario Regulation 188/07 - Licensing of Municipal Drinking Water Systems
3. Ontario Regulation 453/07 - Financial Plans
4. Approved 2018 Water and Sewer Operating Budgets.

Consultation:

Sandy Becker, Financial Services Manager/Treasurer and Dan Best, CAO were consulted on the preparation of this report.

Related Documents:

None

Respectfully submitted,

A handwritten signature in black ink, consisting of a large, loopy 'D' followed by several vertical strokes and a long horizontal flourish at the bottom.

Don Giberson, Environmental Services Director

Report Approval Details

Document Title:	2018-04-03 (Water and Sewer Rate Study Request for Proposals).docx
Attachments:	
Final Approval Date:	Mar 28, 2018

This report and all of its attachments were approved and signed as outlined below:

Sandy Becker - Mar 28, 2018 - 11:20 AM

Rebekah Msuya-Collison - Mar 28, 2018 - 12:16 PM

Dan Best - Mar 28, 2018 - 12:22 PM