

Clause 5 in Report No. 6 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on March 26, 2015.

5

Inspection and Condition Assessment Services for Elevated
Water Storage Tanks

Committee of the Whole recommends adoption of the following recommendation contained in the report dated March 12, 2015 from the Commissioner of Environmental Services:

1. Recommendations

It is recommended that:

1. Council approve the award of contract for a three year elevated water storage tank inspection and condition assessment assignment to Landmark Municipal Services ULC, pursuant to Request for Proposal P-14-147 at a total cost of \$1,498,750, excluding HST, and authorize the execution of the contract on behalf of the Region.

2. Purpose

This report seeks Council authorization to retain services for a three-year assignment to inspect and undertake condition assessment of elevated water storage tanks in the Region.

York Region's Purchasing Bylaw requires Council authorization to award a Request for Proposal when the recommended proponent does not have the lowest cost. In this case, the recommended proponent has the highest total score but has not submitted the lowest cost.

3. Background

Inspection and condition assessment of elevated water storage tanks is a vital component of infrastructure renewal planning process

The Region currently owns and operates 29 elevated water storage tanks with an estimated replacement cost of approximately \$180 million. A location map of elevated tanks is provided in Attachment 1. Elevated water storage tanks play an important role in delivering uninterrupted and cost efficient water service to residents and businesses by ensuring adequate water supply and pressure during peak consumption hours, as well as under fire and/or emergency events.

Proactive monitoring of asset conditions through annual inspection and condition assessment provides information to identify need for repairs and prioritize rehabilitation projects. This is a key process in asset management as it allows the Region to build a sound asset rehabilitation program that is financially sustainable and provides the expected level of service.

This three-year assignment includes an annual inspection of all elevated water storage tanks and a comprehensive condition assessment of eighteen elevated water storage tanks.

4. Analysis and Options

Request for Proposal was issued in November 2014 for elevated water storage tank inspection and condition assessment

In accordance with the Purchasing Bylaw, a Request for Proposal (RFP) P-14-147 was released in November 2014 to obtain services for the inspection and condition assessment of elevated water storage tanks. The following is a summary of the scope of services detailed in the RFP over a three year term:

- Project management and control
- Annual inspection of each elevated water storage tank
- Comprehensive assessment of 18 elevated water storage tanks including development of an isolation strategy, draining, cleaning, internal coating inspection and disinfection
- Remote operated vehicle inspection provision if elevated water storage tank must remain online

Inspection and Condition Assessment Services for Elevated Water Storage Tanks

- Quality assurance and quality control
- Short and long-term risk based renewal plan
- Minor repairs (any repair that could be completed during an inspection e.g. tightening fasteners, repairing hatch seals)
- Provision for preliminary renewal design and cost estimation

Fifteen (15) firms obtained the bid document and four (4) firms submitted proposals. Supplies and Services staff contacted the companies who received the RFP document but did not submit a bid. The main reasons given for not submitting a bid included the following:

- Insufficient capability to perform the specialized work required
- Inability to submit a competitive bid
- Submitted as part of a team with others as primary proponent

This assignment required firms with highly specialized services such as the ability to perform high angle rescue, maintenance at elevation and coating inspection by an expert certified by the Society for Protective Coatings.

Proposals were evaluated using the two envelope system

Proposals were evaluated using the two-envelope system with technical and financial information submitted in two separate envelopes. The overall proposal score was evaluated based on a weighting of 80 points for technical proposals and 20 points for financial proposals. Technical proposals were evaluated prior to any knowledge of financial information.

The Region's proposal evaluation team reviewed four technical proposals based on the following criteria headings:

- Corporate experience
- Project manager experience
- Technical staff/sub-consultant experience
- Understanding assignment and deliverables
- Project management approach and manpower efforts
- Project deliverables and methodology

Inspection and Condition Assessment Services for Elevated Water Storage Tanks

- Implementation of quality assurance and control processes
- Value added and innovative concepts

Technical components of the proposal must achieve a minimum technical score of 60 per cent (48 points of the potential 80) to have the financial portion of the proposal considered. If a proponent does not achieve this minimum technical score, the proponent's financial proposal is returned unopened. Technical and financial results are summarized in Table 1.

**Table 1
Proposal Evaluation Summary**

Firm	Technical Score (out of 80)	Total Fee (excluding taxes)	Financial Score (out of 20)	Total Score (out of 100)
Landmark Municipal Services ULC	65.50	\$1,498,750.00	19.89	85.39
Ontario Clean Water Agency	61.35	\$2,923,482.28	10.19	71.55
The Municipal Infrastructure Group Ltd.	48.65	\$1,459,786.00	20.00	68.65
Climbtech Ltd.	*34.10	N/A	N/A	N/A

*Financial proposal returned unopened

Evaluation of proposals revealed Landmark Municipal Services ULC achieving the highest total score

Evaluation of the proposals revealed that Landmark Municipal Services ULC (Landmark) achieved the highest overall score and is therefore recommended for this assignment.

Inspection and Condition Assessment Services for Elevated Water Storage Tanks

Detailed analysis of financial proposals confirmed that Landmark's bid represents best value for the Region

While the overall bid from Landmark is slightly higher than that of The Municipal Infrastructure Group Ltd., an analysis of their bid clearly showed that Landmark has demonstrated their experience by allocating sufficient resources towards the specific services essential to successful delivery of this assignment.

Landmark's proposal has allocated 27 per cent more personnel hours to this assignment than The Municipal Infrastructure Group Ltd. (7,485 vs. 5,901 hours) but only 2.7 per cent higher in cost. This represents better value for money to the Region as more resources are allocated for these highly specialized services.

Landmark's proposal demonstrated notable experience on projects related to elevated water storage tanks

Assessing the condition, rehabilitation needs and lifecycle of an elevated water storage tank requires a high level of expertise. Landmark has over 30 years of specialized experience with elevated water storage tanks. In the last 5 years, Landmark has assessed, designed and coated or recoated over 25 elevated water storage tanks in Ontario. Landmark has been involved with the following elevated water storage tank related projects for the Region:

- Construction of 22 of the 29 elevated water storage tanks in the Region
- Construction of all Regional elevated water storage tanks in the last 16 years
- Inspection and maintenance services for most elevated water storage tanks in the Region
- Nobleton South Elevated Tank component and safety upgrades

Through their technical proposal, Landmark clearly demonstrated their understanding of the unique complexities and requirements of this assignment.

The technical proposal submitted by Landmark provided a strong team with Conestoga-Rovers & Associates as their sub-consultant

Conestoga-Rovers & Associates (CRA) is Landmark's sub-consultant on this assignment. CRA has over 35 years of experience providing engineering, construction and contract administration services and has been involved in many

Inspection and Condition Assessment Services for Elevated Water Storage Tanks

consulting assignments with the Region. CRA has recently been involved with the following elevated water storage tank related projects for the Region:

- Nobleton South Elevated Tank recoating
- Holland Landing West Elevated Tank recoating
- London Road Elevated Tank recoating
- Safety upgrades to 23 Regional elevated tanks and one reservoir
- Engineering services for the Aurora East Elevated Tank
- Decommissioning of the Wootten Way and Sharon elevated tanks

Supplies and Services Branch reviewed the evaluation summary and issued a report confirming that Landmark is recommended as the successful proponent to provide elevated water storage tank inspection and condition assessment services to the Region.

[Link to key Council-approved plans](#)

Elevated water storage tanks are key components of the water supply system. To maintain safe and reliable service to residents, proactive inspection and condition assessment is essential. This project aligns with the Region's 2015 to 2019 Strategic Plan objective of continuing to deliver and sustain critical infrastructure.

5. Financial Implications

The fee for the proposed work is \$ 1,498,750 excluding HST. Adequate Capital Spending Authority is in the approved 2015 budget as part of the Region's Water Asset Management Program, which is funded by rates.

6. Local Municipal Impact

One of the key objectives of this assignment is to ensure the security and reliability of delivering safe drinking water service to local municipalities. The project will benefit local municipalities by maintaining required level of service and proactively managing assets that are essential to the service that local

Inspection and Condition Assessment Services for Elevated Water Storage Tanks

municipalities deliver to residents. The number of elevated water storage tanks located in each local municipality is summarized in Table 2.

Table 2
Number of elevated tanks in each local municipality

Local Municipality	Number of Existing Elevated Tanks
Town of East Gwillimbury	6
Town of King	5
Town of Newmarket	4
Town of Whitchurch-Stouffville	3
Town of Georgina	3
City of Vaughan	3
Town of Aurora	3
City of Markham	1
Town of Richmond Hill	1
Total	29

7. Conclusion

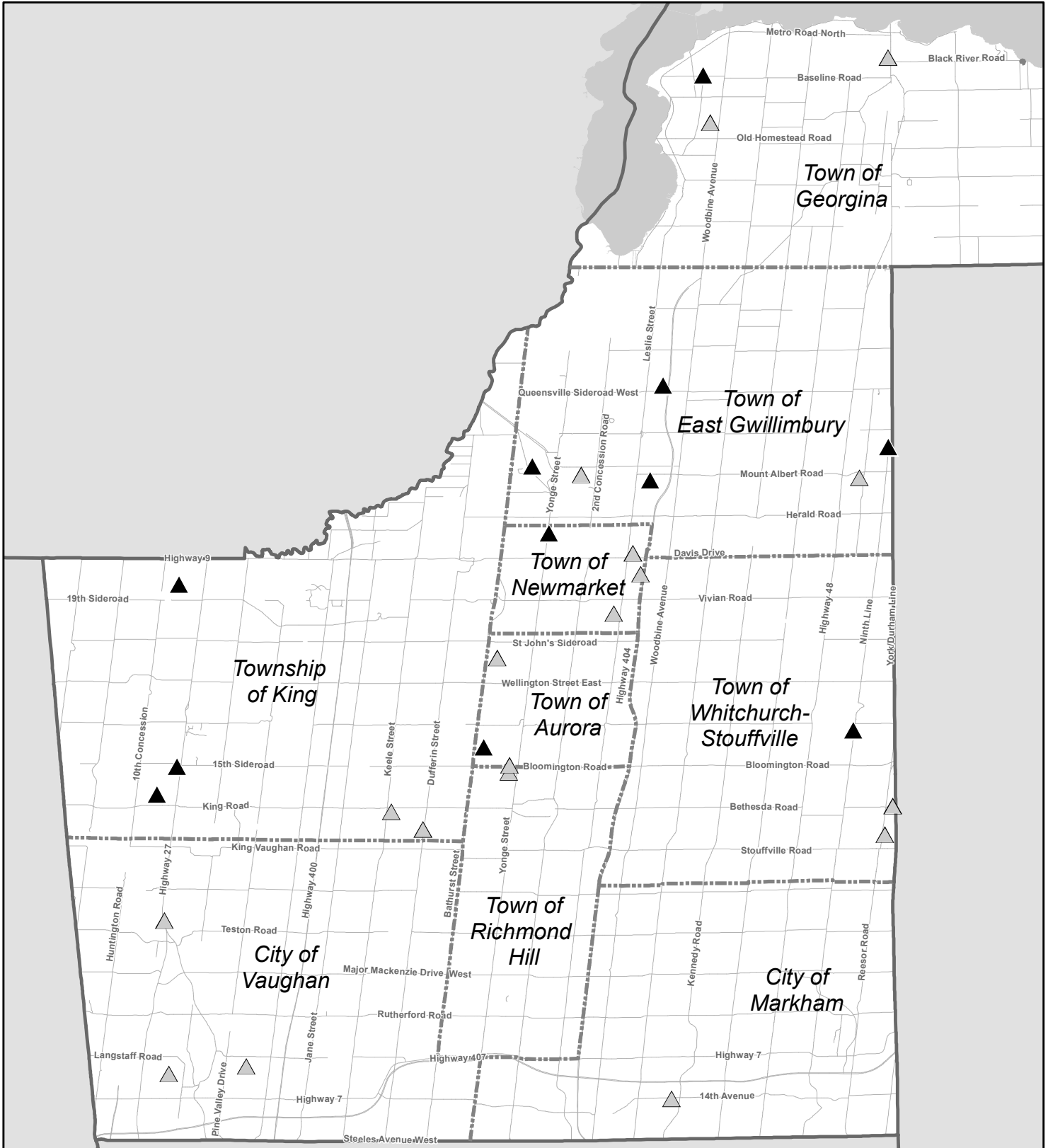
Four proposals were received and evaluated for this assignment in accordance with the Region's Purchasing Bylaw. The proposal from Landmark represents better value for money to the Region. It is recommended that Landmark be engaged to undertake inspection and condition assessment of elevated water storage tanks at a total cost of \$1,498,750, excluding HST.

For more information on this report, please contact Stephen Fung, Director, Infrastructure Asset Management, Environmental Services at ext. 73025.

Attachment

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Accessible formats or communication supports are available upon request



Location of Elevated Water Storage Tanks

Inspection and Condition Assessment Services for Elevated Water Storage Tanks, March 12, 2015

- ▲ Existing Tank Scheduled for Annual Inspection Only
- △ Existing Tank Scheduled for Annual and Comprehensive Inspection

