SUBJECT: McCormick Rankin Corporation - Construction of the Downtown Multi-Modal Transportation Centre (PW08110) - (City Wide)

RECOMMENDATION:

That the General Manager of Public Works be authorized and directed to negotiate a single source contract for the Detailed Design Contract Tender Preparation and Construction Contract Administration and Site Inspection for the construction of the Downtown Multi-Modal Transportation Centre on McNab Street to McCormick Rankin Corporation to an upset limit of $1.2 million, to be funded from Account No. 53006-85001 – Downtown Transit Terminal.

Scott Stewart, C.E.T.
General Manager
Public Works

EXECUTIVE SUMMARY:

Council approved Report PW08084 on July 11, 2008, for the construction of a new Downtown Multi-Modal Transportation Centre on McNab Street between King and Main Streets. This new transportation centre and reconfiguration of McNab Street will allow removal of the buses from the south leg of King Street through the Gore Park by relocating them to the new centre. Council further directed that this relocation of buses be completed by 2010. Given that this project fits a high priority status within Council’s strategic initiatives for economic development and downtown renewal, design must start immediately in order to keep this project on schedule. It is therefore recommended that the design and tender document preparation be assigned to McCormick Rankin Corporation. McCormick Rankin has been the lead Consultant on the study over the
last two years, is familiar with all aspects of the project. They will provide all required
design elements necessary to carry out the assignment either through in-house
resources or with the assistance of the same associate consultants involved in the
study. Given their project involvement and subject expertise, it is very likely they would
be the successful consultant in an RFP process.

BACKGROUND:
The information/recommendations contained within this report have City wide
implications.

At Council’s meeting of July 11, Council approved Report PW08084 authorizing and
directing the General Manager of Public Works to proceed with implementation of the
on-street McNab and the Hunter (within the GO Station) alternative for the Downtown
Multi-Modal Transportation Centre. The report also authorized the filing of the
Environmental Report and that implementation of the preferred option be completed by
2010 including the removal of buses from the Gore Park area.

In order to maintain the timing directed by Council, it is necessary to start the design
process immediately so that tenders can be issued by March 2009. The value of the
assignment is in excess of that allowed under the Purchasing Policy for either a Roster
Assignment or Delegated Authority under Policy 11. A minimum period of three to five
months would be required to draft, advertise, analyze and award an RFP. This would
delay the completion of the project until well into 2011. It is recommended that the
assignment be awarded to the Consultant team involved in the two years of studies,
planning and preliminary engineering that arrived at the preferred alternative. Council’s
authorization is required to sole source an assignment. The value of the assignment is
expected to be less than 15% of the construction value of the project or $1.2 million. It
is recommended that Council authorize the General Manager of Public Works to
negotiate a work program and fee schedule with McCormick Rankin Corporation to
complete the engineering assignment and request and that a purchase order be
authorized up to a value of $1.2 million.

ANALYSIS/RATIONALE:
This project is a high priority in terms of Council goals and initiatives for downtown
revitalization and economic development. As the timing of this project is relatively short
and familiarity with the constraints and sensitivities is an important component for the
successful design and implementation of the project, a single source award to the
currently involved Consultant is appropriate. Given the time involved to undertake and
open procurement of the necessary engineering services, the likelihood that the same
Consultant would be successful and that further cost savings would not likely be
achieved, the direct assignment of the design services is further supported. Past
experience has proven that it is more efficient and cost effective, both in the short and
long term, to assign the construction administration and site inspection services to the
same Consultant team that undertook the design assignment. Therefore, it is
recommended that a comprehensive design and construction service package be
negotiated with McCormick Rankin Corporation.
ALTERNATIVES FOR CONSIDERATION:

The alternative to assigning the work as recommended would be to advertise the work under an RFP. Drafting, advertising, analyzing and awarding an RFP would delay the start of any design by three to five months. There would be further delay and additional cost in familiarization and start-up of the new Consultant. The impact to the overall cost of the project would likely be minimal however it would delay the removal of the buses from the gore and the opening of the Transportation Centre until at least 2011. Given the familiarity of the recommended Consultant with the project there is a very good chance they would be successful in the RFP process from both a technical capability as well as price point.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

Financial

The total cost estimated for the Construction of the project is approximately $8.0 million. Standard design and construction service values are usually in the 13.5 to 16% range depending on complexity and duration. This is well within expected values for project engineering costs. The estimated value of the assignment is $1.2 million or 15% of the construction value.

Staffing:

N/A

Legal Implications:

N/A

POLICIES AFFECTING PROPOSAL:

Purchasing Policy, Section 4.11 - Policy for Use of Negotiations for single source purchases requires Council approval when the expenditure exceeds $250,000.

The Public Works Strategic Plan has four vision drivers within the plan being, Communities, People, Processes and Finances. The proposed transit terminal facility will address Communities in that, with the relocation of buses from Gore Park, it would allow for the greening and improvement to Gore Park and an improved public space where people could gather. Creating a multi-modal transportation centre will provide an amenity that will be attractive and inviting for public transportation and will help to reduce the number of vehicles being used on the roads. This would allow for a more energy efficient environment that is better able to connect our public places with a range of transportation options, as noted in the Strategic Plan.

RELEVANT CONSULTATION:

Purchasing Division, Corporate Services Department
CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. ☑ Yes ☐ No
Public services and programs are delivered in an equitable manner, coordinated, efficient, effective and easily accessible to all citizens.
Partnerships are promoted.

Environmental Well-Being is enhanced. ☑ Yes ☐ No
A sustainable transportation network provides many options for people and goods movement; vehicle-dependency is reduced.

Economic Well-Being is enhanced. ☑ Yes ☐ No
Investment in Hamilton is enhanced and supported.
Hamilton's high-quality environmental amenities are maintained and enhanced.

Does the option you are recommending create value across all three bottom lines? ☑ Yes ☐ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants? ☑ Yes ☐ No