



Report to: Development Services Committee

Meeting Date: September 10, 2018

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**SUBJECT:** Consulting Engineering Services for the Highway 404 North Secondary Plan, Ward 2

**PREPARED BY:** Nhat-Anh Nguyen, P. Eng.  
Sr. Manager, Development and Environmental Engineering  
Extension 2849

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**RECOMMENDATION:**

- 1) That the report entitled “Consulting Engineering Services for the Highway 404 North Secondary Plan, Ward 2” be received; and
- 2) That the tendering process for consulting engineering services for the Highway 404 North Secondary Plan, Ward 2 be waived in accordance with Purchasing By-Law 2017-8, Part II, Section 11.1 (h), which states “where it is necessary or in the best interests of the City to acquire non-standard items or Consulting and Professional Services from a preferred supplier or from a supplier who has a proven track record with the City in terms of pricing, quality and service;” and
- 3) That the consulting engineering services for the detailed design of trunk municipal services to service the Highway 404 North Secondary Plan be awarded to SCS Consulting Group Limited in the amount of \$1,230,502.27 Inclusive of HST impact; and
- 4) That a 10% contingency in the amount of \$123,050.22 inclusive of HST impact (10% of \$1,230,502.27) be established to cover for any additional work and that the authorization to approve expenditures of this contingency amount up to the specified limit be in accordance with the Expenditure Control Policy; and
- 5) That the consulting engineering services for the preliminary design and property protection for the north-east quadrant of the future Highway 404 interchange at 19<sup>th</sup> Avenue and widening of 19<sup>th</sup> Avenue be awarded to CIMA+ in the amount of \$44,367.36 Inclusive of HST impact; and
- 6) That a 10% contingency in the amount of \$4,436.73 inclusive of HST impact (10% of \$44,367.36) be established to cover for any additional work and that the authorization to approve expenditures of this contingency amount up to the specified limit be in accordance with the Expenditure Control Policy; and
- 7) That the total consulting engineering services in the amount of \$1,402,356.58 (\$1,230,502.27 + 123,050.22 + \$44,367.36 + \$4,436.73) be funded from the Development Charges Reserve; and

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- 8) That this award be pre-approved as part of the 2019 Capital Budget process; and further
  - 9) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

The purpose of this report is to obtain Council authorization to award the contracts for the following:

- (a) SCS Consulting Group Limited (“SCS”) to provide professional engineering services relating to the detailed design of the extension of trunk municipal services to service the Highway 404 North Secondary Plan, and
- (b) CIMA+ Canada Incorporated (“CIMA+”) to provide professional engineering services relating to preliminary design and property protection for the north-east quadrant of the future Highway 404 interchange at 19<sup>th</sup> Avenue and widening of 19<sup>th</sup> Avenue.

**BACKGROUND:**

The Highway 404 North Secondary Plan (“404 North Plan”) was approved in 2008 and is generally bounded by Highway 404 to the west, the City’s north boundary to the north, Woodbine Avenue to the east and the community of Victoria Square and Cathedraltown to the south. SCS was retained by the participating landowners in the 404 North Plan as the landowners’ group primary engineer to prepare a Master Servicing Plan to assess the engineering requirements and recommend locations and alignments of trunk sewers, stormwater management plan, and watermains to support development within the 404 North Plan.

In September 2008, Council requested York Region to assume 19<sup>th</sup> Avenue between Highway 404 and Woodbine Avenue and also requested the Ontario Minister of Transportation to commence discussion with York Region, Markham and Richmond Hill on a future Highway 404 interchange at 19<sup>th</sup> Avenue. Both York Region and Markham’s Official Plans identify this future interchange.

**OPTIONS/ DISCUSSION:****Trunk Municipal Services**

Portions of the recommended trunk infrastructure for 404 North Plan have already been installed by the various developers as part of their respective developments. However, there are portions of the systems that have not yet been designed or constructed. Potential business corporations looking to invest in the City, specifically within the 404 North Plan, may see a lack of municipal infrastructure as a limitation to their business expansion plans. Accordingly, Staff recommend that extensions to the current trunk infrastructure be designed at this time so that they can be ready for construction by those business corporations if they wish to locate in the parts of the 404 North Plan that currently does not have any municipal services.

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SCS was the consulting firm that prepared the master servicing study for the Highway 404 North Secondary Plan (“Master Servicing Study”) and, as a result, has completed much of the background work required to design the extension of the trunk system.

SCS, through its role as the primary engineer that coordinated the work of the consultant team, has detailed knowledge of the various issues (e.g., geotechnical, groundwater, utilities, etc.) directly relating to the design of the extension of the trunk systems and factors that would establish the limits of development. SCS is also familiar with the ongoing servicing phasing plan.

The designs, drawings, analyses, and reports (either prepared or commissioned by SCS over a two year period) in connection with the Master Servicing Study would be essential to ensure a consistent, effective and efficient interchangeability of engineering services / design vision, and to avoid significant inconvenience (in time and resources) and substantial duplication of costs for the City in connection with the extension. Such documents are the property of SCS, and other potential consultants would not be entitled to use or rely upon such documents. Other potential consultants would need significant additional time (and resources) to familiarize themselves with the proposed scope of work (and associated issues) and recreate much of the work that was previously completed by SCS.

In summary, the combined knowledge/experience gained through preparation of the Master Servicing Study (and ongoing consulting) can be applied and transferred to the proposed detailed design of the extension of the current trunk infrastructure. Cost savings and efficiencies are expected through knowledge/experience transfer and use of existing documents, and minimizing any duplication of efforts/costs associated with engaging another consultant.

#### Interchange Property Protection and Associated Preliminary Design

CIMA+ was retained through a competitive procurement process (RFP 105-R-17), and is currently working for the City on the Highway 404 North Collector Roads Class Environmental Assessment study. That EA study area coincides with the 404 North Plan area and the analysis being conducted in the EA study relates and is applicable to the property protection work for the Highway 404 interchange, widening of 19<sup>th</sup> Avenue, and intersection locations on 19<sup>th</sup> Avenue. Given the high degree of overlap between the two studies, Staff recommend that CIMA+ be retained to provide the engineering services leading to the identification of the footprint and associated property impacts of the proposed Highway 404/19<sup>th</sup> Avenue interchange, widening of 19<sup>th</sup> Avenue and the associated preliminary design within the study area.

Therefore, Staff recommend awarding the contracts to SCS Consulting Group Limited and CIMA+ for additional requirements for technical reasons and to mitigate duplication of cost to the City as identified above.

**Market Competitiveness**

The rates and estimated fees proposed by SCS and CIMA+ have been reviewed by Staff and would appear to be comparable to rates and fees of other consultants undertaking similar work.

**FINANCIAL CONSIDERATIONS**

The total award to SCS Consulting Group including a 10% contingency is \$1,353,552.49 (\$1,230,502.27 + \$123,050.22) inclusive of HST impact. The total award to CIMA+ including a 10% contingency is \$48,804.09 (\$44,367.36 + \$4,436.73), inclusive of HST impact.

The total consulting engineering services in the amount of \$1,402,356.58 (\$1,353,552.49 + \$48,804.09) will be funded from the Development Charges Reserve which will be pre-approved as part of the 2019 Capital Budget.

**OPERATING BUDGET AND LIFE CYCLE RESERVE IMPACT**

The incremental operating budget and life cycle impact will be determined upon completion of the project.

**LEGAL CONSIDERATIONS**

The City is subject to the following trade agreements, which apply to public sector procurement above a certain dollar threshold: the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), effective September 21, 2017; and the Canadian Free Trade Agreement (CFTA), effective July 1, 2017.

The recommended contract awards to SCS Consulting and CIMA+ comply with the CETA and CFTA trade agreements.

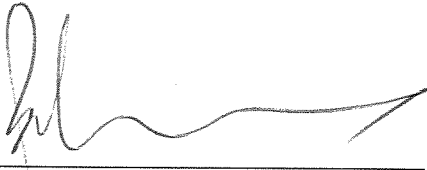
**ALIGNMENT WITH STRATEGIC PRIORITIES:**

This project aligns with the City's strategic priority of ensuring the reliability of the Corporation's services by proactively managing our infrastructure and developing plans to facilitate investment and employment growth.

**BUSINESS UNITS CONSULTED AND AFFECTED:**

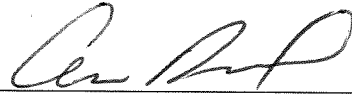
The City's Finance and Legal Departments have been consulted and concur with the recommendations of this report.

**RECOMMENDED BY:**



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Brian Lee, P. Eng.  
Director of Engineering



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Arvin Prasad, M.C.I.P., R.P.P.  
Commissioner of Development  
Services

Attachment 'A' – Location Map

Attachment A – Location Map

