

Item 8.2.

Section I – Items for Board of Directors Action

TO: Chair and Members of the Board of Directors
Meeting #4/19, Friday, May 03, 2019

FROM: Michael Tolensky, Chief Financial and Operating Officer

RE: **REQUEST FOR PROPOSAL FOR FACILITY MANAGEMENT SERVICES**
RFP No. 10020114

KEY ISSUE

Award of Request for Proposal (RFP) No. 10020114 for facility management services for Toronto and Region Conservation Authority's (TRCA) new administrative office building.

RECOMMENDATION

WHEREAS Toronto and Region Conservation Authority (TRCA) is engaged in a project that requires facility management services for TRCA's new administrative office building:

AND WHEREAS TRCA solicited proposals through a publicly advertised process and evaluated the proposals based on the criteria outlined in this report;

THEREFORE, THE EXECUTIVE COMMITTEE RECOMMENDS THAT RFP No. 10020114 for facility management services be awarded to Bouygues Energies and Services at a cost of \$386,411 plus applicable taxes, for a five (5) year term, to be expended as authorized by TRCA staff;

THAT TRCA staff be authorized to approve additional expenditures to a maximum of \$57,963 (15% of the term of the total fee), plus applicable taxes, in excess of the contract cost as a contingency allowance if deemed necessary;

THAT should TRCA staff be unable to negotiate a contract with the above-mentioned proponent, staff be authorized to enter into and conclude contract negotiations with other Proponents that submitted proposals, beginning with the next highest ranked Proponent meeting TRCA specifications;

AND FURTHER THAT authorized TRCA officials be directed to take whatever action may be required to implement the contract, including the obtaining of necessary approvals and the signing and execution of any documents.

BACKGROUND

The Long Term Office Accommodation Project and the Long Term Office Accommodation Working Group (LTOAWG), was established on May 23, 2008 by Authority Resolution #A126/08, to determine the office accommodation needs of TRCA over the next 30 years and recommend a comprehensive, cost effective solution. Following numerous studies and reports from this working group, on February 27, 2015 Resolution #A23/15 approved 5 Shoreham Drive as the preferred site for the new headquarters and on February 24, 2017, staff reported at Authority Meeting #1/17 that all six of TRCA's participating municipalities, had approved the Project and the allocation of \$60,000,000 in new and existing capital funding.

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In May 2017, TRCA retained Jones Lang LaSalle Canada (JLL) as its project managers for the Project. In September 2017, TRCA retained the services of an integrated design team, led by ZAS Architects and Bucholz McEvoy Architects, to proceed with the development of the project design, planning and approvals, and construction administration. This was followed by a Request for Qualifications and Proposals which resulted in the selection of Eastern Construction Company Limited to provide pre-construction services throughout the design and procurement stages and to provide construction management services for the construction of the new facility which includes the issuance of tenders to various construction trades, as approved through Resolution #A216/17 on November 17, 2017. The integrated design approach is a comprehensive holistic approach to design which brings together specializations usually considered separate during the design and implementation phases.

Through the design development process, an analysis of the proposed building operation and facility requirements resulted in the need for a third-party facilities management firm to provide specialized input to the integrated design team. Further, their involvement would continue during the pre-operations and final commissioning of the building during construction while offering service management and relocation/mobilization plans at the time of building occupancy. The facilities management services would then be transferred to the daily operations of the new administrative office building. This would encompass some of the following services:

- whole building performance reporting and audits;
- inspections;
- quality management and satisfaction surveys;
- service request management;
- implementation and monitoring of computerized word order systems;
- sub-contractor management (cleaning, site security, waste disposal etc.);
- environmental management;
- risk assessment and management;
- energy management;
- capital planning, financial management, and reporting.

The importance of a facilities management provider is crucial to the daily and long-term operations of the new head office building. As TRCA strives to design for an efficiently high-level building, it is the operation and maintenance that will allow it to meet those expectations. By including for the facilities management firm early in the design development phase, it is a value-added service to ensuring TRCA's sustainability and performance targets are reached.

RATIONALE

RFP documentation was posted on the public procurement website www.biddingo.com on February 6, 2019 and closed on March 13, 2019. Four (4) addendums were issued to respond to questions received. A total of eighteen (18) firms downloaded the documents and four (4) proposals were received from the following Proponents:

- Bouygues Energies and Services
- Black and Macdonald Ltd.
- Cushman and Wakefield Ltd.
- Dexterra Integrated Facility Management

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An Evaluation Committee comprised of staff from Corporate Services reviewed the proposals. The criteria used to evaluate and select the recommended Proponent included the following:

Criteria	Maximum Score
Technical Proposal:	
Corporate Structure, Background	10
Previous Experience on Similar Work	10
Organization and Resources	20
Service Delivery	25
Environment and Sustainability	25
Pre-Start up and Mobilization	10
Sub-Total – Technical Proposal	100
Fee Proposal:	
Start-up & Mobilization Fee	10
Management Fee	25
Extra Services Fee (average of all rates)	5
Sub-Total – Fee Proposal	40
Total	140

Through the evaluation process it was determined that Bouygues Energies and Services provided the most comprehensive proposal that showed the proponent clearly understood TRCA's requirements set out in the RFP. This understanding of the unique nature of the project combined with the most competitive fee structure resulted in that Bouygues Energies and Services being the highest scoring Proponent. Therefore, it is recommended that contract No. 10020114 be awarded to Bouygues Energies and Services at a cost of \$386,411 plus 15% contingency, plus applicable taxes, it being the highest ranked Proponent meeting TRCA specifications. Proponent's scores and staff analysis of the evaluation results can be provided in an in-camera presentation, upon request.

Relationship to Building the Living City, the TRCA 2013-2022 Strategic Plan

This report supports the following strategic priority set forth in the TRCA 2013-2022 Strategic Plan:

Strategy 1 – Green the Toronto region's economy

Strategy 10 – Accelerate innovation

FINANCIAL DETAILS

Although funding available for the project totals \$63,538,000, TRCA continues to work towards a budget of \$60,000,000, with the \$3,538,000 in funding made available by the Minister of Natural Resources and Forestry to be applied to the cost of construction financing. If the total \$60,000,000 in funding is not required from TRCA's partner municipalities, then the amount/term of their obligations will be reduced accordingly. Further to this point, TRCA staff continue to review and apply for provincial, federal and other funding opportunities through various grants and programs and was recently notified that TRCA has been shortlisted for consideration under the NRCan Green Construction through Wood Program grant.

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The financial terms of the agreement with Bouygues Energies and Services to provide facility management services are as follows:

Item	Cost
Start up and Mobilization	\$106,927
Management Fee - \$55,896.71 x 5 years ¹	\$279,484
Sub-total	\$386,411
15% Contingency	\$57,962
Total	\$444,374

¹ The management fee is adjusted yearly based on the labour component of the Consumer Price Index (CPI). The 15% contingency is intended to accommodate for inflation.

Report prepared by: Jed Braithwaite, extension 5345

Emails: jed.braithwaite@trca.on.ca

For Information contact: Jed Braithwaite, extension 5345; Aaron D'Souza, extension 5775

Emails: jed.braithwaite@trca.on.ca; ajdsouza@trca.on.ca

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