

Clause 3 in Report No. 8 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on May 19, 2016.

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Consultant Services Fee for Additional Scope – Environmental Monitoring and Inspection Services

Committee of the Whole recommends adoption of the following recommendation contained in the report dated April 21, 2016 from the Commissioner of Transportation:

1. Council authorize the agreement between the Region and Azimuth Environmental Consulting, Inc. for construction site environmental monitoring and on-demand natural environment peer review services be amended to increase the contract price, within the Capital Spending Authority, from \$62,100 to \$335,000, excluding HST, and to extend the term to December 31, 2017.

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Report dated April 21, 2016 from the Commissioner of Transportation now follows:

1. Recommendations

It is recommended that:

1. Council authorize the agreement between the Region and Azimuth Environmental Consulting, Inc. for construction site environmental monitoring and on-demand natural environment peer review services be amended to increase the contract price, within the Capital Spending Authority, from \$62,100 to \$335,000, excluding HST, and to extend the term to December 31, 2017.

2. Purpose

This report seeks Council authorization to increase the contract price and duration of the agreement with Azimuth Environmental Consulting, Inc. (Azimuth). The increase is required to amend the original scope of services to

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provide enhanced environmental protection services in specialized field areas for all York Region roads capital projects and road operations onsite construction mitigation monitoring and reporting through 2016 and 2017. Project demands and deadlines have increased the need for speciality consultants in multiple disciplines to be available and procured quickly to ensure compliance of contracts and environmental permit requirements.

Council approval is required under the Purchasing Bylaw for direct purchases over \$100,000 and for changes in scope in excess of 20 per cent of the original contract price.

3. Background

The Region is investing more than \$500 million in transportation capital improvements during 2016 and 2017

The approved 2016 10-Year Transportation Services Capital Program has a total budget exceeding \$500 million in 2016 and 2017, with a 10-year budget exceeding \$2.3 billion.

Azimuth was retained in September 2014 to supplement Regional staff during periods of increased transportation construction activity

Azimuth was retained through direct purchase in September 2014 to provide assistance with on-site environmental monitoring, inspection and reporting services for environmentally-sensitive areas on Transportation Services construction sites, during periods of peak workload and demand.

The primary focus of work includes construction site environmental monitoring, fisheries ecology, geomorphology, avian biology, wetland evaluations, terrestrial ecology, species at risk assessments and hydrogeology, including Permits to Take Water. In addition, support is provided for annual reporting to agencies on an “as needed” basis, as directed by York Region, and as dictated by project-specific schedules and permit compliance obligations.

Azimuth has provided excellent service, added value and mitigated environmental risk during Transportation construction projects

Azimuth has provided on-demand speciality services in multiple disciplines, helping move projects forward quickly and without delay. Azimuth effectively mitigates environmental risks and impacts as a result of construction activities due to their strong familiarity with the Region's active projects, practices and related environmental requirements.

Azimuth is unique in that they are able to offer the Region a wide variety of environmental speciality area disciplines, such as geomorphology and hydrogeology. Their monitoring program involves working cooperatively with the public, government bodies, regulatory authorities, contractors, special interest groups and contract administrators. This approach complements the Region's partnership approach and improves overall project organization, leading to more efficient completion of project deliverables and monitoring requirements as well as reducing overall costs.

#### 4. Analysis and Options

Project demands and deadlines have increased the need for environmental speciality consultants to be available and procured quickly

Major capital, minor capital and road operations have increased workloads and decreased timelines into 2017. Complex projects require multiple environmental review disciplines to ensure compliance of any contract and environmental permit requirements. In addition, timely response and familiarity with the Region's projects is critical to ensure all scientific areas of interest related to these projects are investigated and effectively mitigated without increased risk of delay, cost or environmental damage.

Additional on-demand expertise in the area of on-site construction mitigation, monitoring and reporting and assistance with defensible and efficient evaluation of critical assignments throughout the Region is required from federal and provincial permitting agencies. These include Fisheries and Oceans Canada, Environment Canada, Ministry of Environment and Climate Change, Ministry of Natural Resources and Forestry and local Conservation Authorities.

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Proposed costs offer good value to the Region

Project-specific procurements for typical environmental monitoring and inspection services generally cost between \$100,000 and \$130,000, and do not include speciality discipline costs such as geomorphology or hydrogeology, which are included in the scope for the currently requested increase. Recent examples include Stouffville Road widening at a cost of \$105,000, Ninth Line widening at a cost of \$120,000 and Warden Avenue at a cost of \$130,000.

Azimuth provides these services for considerably less cost, which is better value for the Region's residents. The proposed approach takes advantage of Azimuth's ability to provide personnel with multiple professional designations in speciality disciplines ensuring consistency and efficient service delivery.

Proposed rate for services is based on an all-inclusive daily inspection rate and may include inspection of multiple projects

Staff has negotiated a daily inspection rate of \$1,207.50, excluding HST, for 2016 and \$1,268.00, excluding HST, for 2017. Preparation of mandatory federal and provincial reporting requirements is estimated to be \$2,000.00 per filing. All Azimuth personnel would be charged out at the same rate, including speciality disciplines, providing considerable cost savings to the Region.

The daily inspection rate combines all reviews of multiple disciplines and sites into one fixed cost. The daily rate also includes the completion of a daily monitoring report that clearly documents the observations made on-site based on input from highly specialized disciplines, such as hydrologists and geomorphologists.

Adjusting the contract price will allow for enhanced service and protection for projects to the end of 2017

Expanding the scope of the current contract will ensure continued on-site inspection field support, including specialty support, and provide the required additional on-demand expertise necessary for various projects throughout York Region. The additional funds would allow for enhanced service and environmental mitigation and protection for projects to the end of 2017.

## Consultant Services Fee for Additional Scope Environmental Monitoring and Inspection Services

Link to key Council-approved plans

This report links to the following Council-approved plans and policies:

### Regional Official Plan

- Sustainable Natural Environment Goal to protect and enhance the natural environment for current and future generations so that it will sustain life, maintain health and provide an improved quality of life
- Supporting the triple bottom line objectives

### 2015 to 2019 Strategic Plan

- Managing Environmentally Sustainable Growth

### Vision 2051

- Providing sustainable transportation and developing livable cities and complete communities
- Supporting Transportation Master Plan and Water and Wastewater Master Plan

## 5. Financial Implications

Environmental monitoring costs for inspection services only are typically \$100,000 to \$130,000 per project. Azimuth's services cost considerably less, while providing experienced multi-disciplined staff on all Regional projects. Extending the scope of the purchase agreement would provide good value and continued excellent services to the Region.

Adjusting the existing contract with Azimuth for construction site environmental monitoring and on-demand natural environment peer review services would require a fee increase from \$62,100 to \$335,000, excluding HST. This is as a result of extending the duration of the contract to the end of 2017 to include all road construction projects underway in sensitive environmental areas. The recommended upset limit is less than one-tenth of one per cent of the 2016 and 2017 Transportation Capital Budgets.

Funding is within the Capital Spending Authority and sufficient funds are available in the 2016 Transportation Capital Program to cover this increase. All expenditures for this contract will be funded from 90 per cent development charges and 10 per cent tax levy.

## 6. Local Municipal Impact

Regional construction projects benefit and provide improved service to both our existing and growing communities. Proactive, efficient environmental monitoring minimizes the risk of project delays and negative impacts to projects due to environmental issues that benefits the Region and local municipalities.

## 7. Conclusion

Major and minor capital and operations projects have increased workloads and decreased timelines into 2017. Projects require multiple environmental review disciplines. Additional on-demand expertise in a number of specialty field areas and assistance in the evaluation of critical assignments is needed.

Timely response and familiarity with York Region projects is critical to ensuring all scientific disciplines related to projects are investigated and effectively mitigated without increased risk of delay, cost or environmental damage. Azimuth Environmental Consulting Inc. has provided excellent work in multiple disciplines and good value on past capital projects. Expanding the scope and authorizing an increase in the contract price would ensure continued on-site inspection field support, including specialty support, and provide the required on-demand expertise necessary for various projects throughout York Region. The additional funds would allow for enhanced service and environmental protection for projects to the end of 2017.

For more information on this report, please contact Stephen Collins, Director Infrastructure Management and PMO, at ext. 75949.

The Senior Management Group has reviewed this report.

April 21, 2016

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Accessible formats or communication supports are available upon request