City Hall Back-up Power Generator Project Update

Recommendation

That the Standing Policy Committee on Finance recommend to City Council:

1. That an extension of services for Willms Engineering Ltd. to provide detailed design and contract administration of a back-up generator for City Hall and upgrade of the existing electrical systems at a cost of $120,000, plus applicable taxes, be approved; and
2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

Topic and Purpose

The purpose of this report is to provide the Standing Policy Committee on Finance and City Council with an update on the City Hall Back-up Power Generator project. This report is also requesting City Council approval for an extension of services with Willms Engineering Ltd. (Willms) to provide prime consulting services for the detailed design and contract administration, including upgrade of the existing electrical systems at City Hall.

Report Highlights

1. The construction tender for the City Hall generator yielded bids that exceeded the allocated budget of $1.5M.

2. On June 1, 2018, the City of Saskatoon (City) asked Willms, who had been previously procured through a Request for Proposals (RFP) process, to provide pricing for prime consulting services for a revised scope.

3. The Administration is recommending that Willms be given an extension of services for the prime consulting services.

Strategic Goals

The installation of a back-up power generator for City Hall supports the Strategic Goal of Continuous Improvement by providing a safe and productive environment. In addition, this project also supports the Strategic Goal of Asset and Financial Sustainability by ensuring City Hall is well-managed and well-maintained.

Background

Capital Project 1943 – AF – Emergency Back-up Power System was approved for $1.5M in the 2017 Capital Budget to install a back-up power generator at City Hall. The funding source was through the Civic Facilities Funding Plan.

In January 2017, an RFP was issued in order to procure a prime consultant to perform detailed design and contract administration for the project. The proposal submitted by

Willms for a total cost of $140,000 met the RFP requirements and achieved the highest score.

Detailed design for the back-up power generator was completed, the construction tender was issued, and nine tender bids were received on November 28, 2017. The low bid of $1,641,043 exceeded the approved budget of $1.5M. A value engineering exercise was undertaken to evaluate the potential of better aligning the scope with the available budget.

Report

Revised Scope and Extension of Prime Consulting Services

Value engineering and scope evaluation was undertaken by project stakeholders, including Willms and Facilities' staff. Willms provided a preliminary design which included the following scope changes:

- relocation of generator to north side of building;
- reduction in generator size and output capacity; and
- reduction in size/finish of the generator enclosure.

The estimated cost of the revised Capital Project 1943 scope is now $1.3M.

Additionally, Willms proposed that upgrades to the City Hall electrical systems and infrastructure be undertaken concurrently with Capital Project 1943, eliminating the need for two separate projects each requiring a shutdown of City Hall. This additional scope, which was already planned as a part of the ongoing City Hall capital renewal strategy, would be funded through Capital Project 1135 – Civic Buildings Comprehensive Maintenance Program.

Due to the significant redesign work and added scope, additional design work is required. Willms submitted a quote of $120,000 for detailed design, generation of construction drawings and contract administration for the revised scope of Capital Project 1943 and now includes Capital Project 1135. Given Willms significant first-hand knowledge of the complex City Hall electrical systems and the fact that the project will result in the best value for the City, the Administration deems that there is greater value in retaining Willms to complete this project instead of issuing another RFP.

Within the existing complement of civic staff, there is currently no expertise in back-up power generator design to perform this work internally.

City Hall Back-up Power System

City Hall is a hub for the Voice over Internet Protocol (VoIP) phone and fibre communications network that serves Information Technology, Saskatoon Fire Department (SFD) and Saskatoon Police Service (SPS). Currently, the City Hall main data centre ensures these services have uninterruptable power sources to serve short-term emergency requirements, operating for approximately 30 – 45 minutes before the batteries are depleted. As it is maintained on the SaskTel network, 911 is not affected

by a power outage. The radio networks for SFD and SPS are on a different system and are not affected in the event of a power outage at City Hall.

Options to the Recommendation

Option 1: City Council can choose not to approve the extension of services and have the Administration issue an RFP for the work required. The Administration does not recommend this option as there is value in continuing with the current consultant because of the extensive knowledge gained and work completed on this project and City Hall infrastructure.

Option 2: City Council can choose not to proceed with the construction of the back-up generator. The Administration does not recommend this option as it would be contrary to providing uninterrupted business continuity and communication to the citizens of Saskatoon.

Financial Implications

The cost of the Consulting Services Agreement is within the approved Capital Project 1943 – AF – Emergency Back-up Power System and Capital Project 1135 – Civic Buildings Comprehensive Maintenance Program.

Safety/Crime Prevention Through Environmental Design (CPTED)

Consistent with the original design, a CPTED analysis of the proposed back-up generator location will be conducted as a part of the design process.

Other Considerations/Implications

There are no policy, environmental, privacy, implications or considerations. Neither a communication plan or public and/or stakeholder involvement is required at this time.

Due Date for Follow-up and/or Project Completion

Pending City Council approval, redesign work would begin as soon as approval is granted. The estimated project completion date is March 20, 2020, with the following timeline:

• Detailed design and tender document production	3 months
• CPTED Review	2 months
• Tender out to market and award	2 months
• Construction	8 months
TOTAL	15 months

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Report Approval

Written by:	Gord Hundeby, Project Services Manager
Reviewed by:	Troy LaFreniere, Director of Facilities Management
	Kerry Tarasoff, CFO/General Manager, Asset and Financial Management Department
Approved by:	Jeff Jorgenson, City Manager

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