

# **INFORMATION ITEMS**

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**Week Ending October 21, 2016**

## **REPORTS**

1. Wilson Street Parking Structure – Contract # 16-135 Update

## **INTERGOVERNMENTAL CONSULTATIONS**

1. Help Develop Ontario's Long-Term Energy Plan
2. Ontario Municipal Board Reform

## **CORRESPONDENCE**

1. Union Gas re: 2017 Natural Gas Rates

## **BOARDS & COMMITTEES**

1. Accessibility Advisory Committee – Resignation from Ruth Russell
2. Guelph Police Services Board Meeting Minutes – September 15, 2016

## **ITEMS AVAILABLE IN THE CLERK'S OFFICE**

1. None

# Information Report

Service Area      Infrastructure, Development & Enterprise Services

Date                      Friday, October 21, 2016

**Subject                  Wilson Street Parking Structure – Contract # 16-135 Update**

Report Number      IDE-BDE-16-135

## Executive Summary

### Purpose of Report

The purpose of this report is:

1. To provide an update to Council with respect to Contract #16-135, the construction of the Wilson Street Parking Structure and the reconstruction of the Norfolk Street Pedestrian Bridge.

### Key Findings

1. Council approved funds in the 2016 Capital Budget for the construction of the Wilson Street Parking Structure of \$13,370,000 and the reconstruction of the Norfolk Street Pedestrian Bridge of \$250,000, for the total amount of \$13,620,000. To date \$178,850 of these funds have been spent or committed leaving \$13,441,150.
2. The construction period for the parking structure will result in a loss of annual revenue, estimated to be \$97k. This lost revenue will be charged to the Wilson Street Parking Structure Capital Budget.
3. In June 2016 Council received report IDE-BDE-1610, which provided information on the scope of the Wilson Street Parking Structure/Norfolk Street Pedestrian Bridge program scope. Council provided direction to staff to proceed with, and present the results and recommendations of a design/build Request for Proposal (RFP).
4. Contract #16-135 was initiated with a Request for Proposals (RFP), with a closing date of August 31, 2016.
5. Four proposals were received in response to the RFP and evaluated by City staff and WalterFedy (the City's consultant).
6. The cost estimates received through the RFP significantly exceed the approved budget for the contract.
7. As a result of the cost estimates received, Contract 16-135 will be canceled and a new RFP be re-scoped and re-issued to better reflect the approved capital budget.

## **Financial Implications**

1. The four proposals received through the RFP significantly exceed the approved budget.
2. In consultation with Finance, the one option to address this matter would be to increase the budget through the issuance of debt, which would negatively impact the overall economics of the Parking Master Plan and would not be feasible.
3. As a result the financially prudent decision to cancel RFP 16-135 and re-issue a new RFP was made. As such there are no financial implications.

## **Report**

In November 2015, Guelph City Council received report IDE-BDE-1510 – 'Downtown Parking Master Plan (2016 to 2035) and provided the following direction to staff:

*'That staff be directed to explore and report back by Q2 2016 on current and alternative opportunities to maximize economies of scale/staging of downtown enterprise projects, beginning with the Wilson Street parkade and including analysis of available procurement methods that might advance innovative ways in delivery and quality designed and built structure(s).'*

Report IDE-BDE-1510 can be viewed in its entirety at the following link: <http://Guelph.ca/parking-master-plan>.

At its meeting of June 7<sup>th</sup>, 2016, Guelph City Council received report IDE-BDE-1610 – 'Parking Master Plan, Wilson Street Reconstruction and Parking Structure Project Update' and provided the following direction to staff:

*'That Staff be directed to present the results and recommendation for the Wilson Parking Structure design-build RFP to Council for approval and award.'*

Report IDE-BDE-1610 also provided the following scope for the program, which in summary included:

- 350 parking spaces minimum,
- Electrical Vehicle integration and support,
- Facility support facilities (custodial, technology),
- Secure bicycle parking facilities,
- Planning for the potential for Public Washrooms,
- Replacing and integrating a renewed pedestrian crossing over Norfolk that provides better accessibility and cycling access.

Consistent with Council's expressed desire for an attractive structure that would complement the downtown; the scope of the proposal call considered the Downtown Streetscape and Built Form Manuals, approved in 2014. The Built Form manual contains direction on urban parking structures as well as general massing

and façade articulation for the downtown. Staff held public meetings on April 21, 2016 to receive feedback on the proposed design guidelines and program which also informed the proposal call and Council report.

Report IDE-BDE-1610 can be viewed in its entirety at the following link: [http://guelph.ca/wp-content/uploads/IDE-consolidated-agenda\\_060716.pdf](http://guelph.ca/wp-content/uploads/IDE-consolidated-agenda_060716.pdf).

In July 2016 a Request for Prequalification (RFQ) for the delivery of the Wilson Street Parkade Design-Build project was issued and evaluated. Five Design-Build teams were qualified to participate in the next stage.

Contract No 16-135 was initiated with the issuance of the Request for Proposals (RFP) for Design-Build proposals relating to the construction of the Wilson Street Parking Structure and associated reconstruction works relating to the Norfolk Pedestrian Bridge, with a closing date of August 31<sup>st</sup>, 2016. Four proposals were received and evaluated by City staff and WalterFedy (the City's consultant). The overall assessment criteria used for the RFP "design build" submissions are as follows:

- Project design and the proponents response to described design principles;
- Technical submission as described within the RFP;
- Project schedule and statement of approach and methodology;
- Proponents response to integrated art requirement;
- Response to life cycle cost analysis requirement; and
- Quoted Price.

As stated earlier in this report, all proposals received exceeded the approved budget. WalterFedy advised that due to the nature of the site (three visible sides, adjacent rail lands, constraint site dimensions) combined with the desire for enhanced urban design standards, these factors have contributed to the costing of the proposals received.

In consultation with WalterFedy, staff have thoroughly reviewed the proposals and considered funding options and is of the opinion:

1. That Contract 16-135 not be awarded.
2. That staff re-scope, re-structure and re-issue a Request for Proposal for a 350+/- unit parking structure which will:
  - a. reflect the current available uncommitted budget; and
  - b. include more detailed costing, project value analysis, specifications and urban design information, which will assist with the evaluation of proposals.

While these actions will result in a slight delay with the timing to commence construction, staff will make reasonable efforts to mitigate the impact on the overall construction schedule.

Staff from Business Development and Enterprise, Finance, Facilities Management, Engineering and Procurement have been consulted. There is general staff

agreement that this direction is the most fiscally responsible approach for the Parking Master Plan and the City of Guelph.

### **Financial Implications**

1. The four proposals received through the RFP significantly exceed the approved budget.
2. In consultation with Finance, the one option to address this matter would be to increase the budget through the issuance of debt, which would negatively impact the overall economics of the Parking Master Plan and would not be feasible.
3. As a result the financially prudent decision to cancel RFP 16-135 and re-issue a new RFP was made. As such there are no financial implications.
4. The Design-Build RFP provided for a \$10,000 honorarium to each team that submitted a complete bid. The honorariums will be provided to the four teams who submitted to RFP 16-135 for a total of \$40,000 from the project budget.

### **Corporate Administrative Plan**

- **Service excellence**  
Achieving quality and showing results
- **Financial stability**  
Managing our resources to achieve maximum public value

### **Communications**

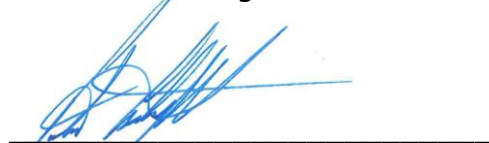
The proponents who have responded to the RFP for Contract 16-135 will be contacted and advised of this direction.

### **Attachments**

There are no attachments provided.

### **Report Author**

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### **Approved By**

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Provincial/Federal Consultation Alert							
Title	Ministry	Consultation Deadline	Summary	Proposed Form of Input	Rationale	Lead	Link to Ministry Website
Help Develop Ontario's Long-Term Energy Plan	Ministry of Energy	December 17, 2016	Ontario is seeking public input to help develop the province's next Long-Term Energy Plan (LTEP) to maintain a reliable supply of clean, affordable electricity.	<p>The province has scheduled a series of town halls and invitation only meetings, including one in Guelph on November 21, 2016.</p> <p>Communications will promote the consultation session through social media channels, under the auspices of the CEI Update process.</p> <p>Staff will attend the Guelph area consultation events.</p> <p>Staff will consult with, and contribute to submissions from other Ontario communities engaged in Community Energy Planning, through representative organizations such as AMO, QUEST Ontario Caucus, and Ontario Sustainable Energy Association</p>	<p>Given the interest in this matter, Council input/participation is anticipated.</p> <p>Upon the review/analysis of the Consultation Document, attendance at the Guelph area consultation session and input to the submissions of identified partners, staff will prepare a recommended response for Council consideration via a staff report.</p>	Business Development and Enterprise	<a href="https://news.ontario.ca/mei/en/2016/10/help-develop-ontarios-long-term-energy-plan.html?utm_source=ondemand&amp;utm_medium=email&amp;utm_campaign=p">https://news.ontario.ca/mei/en/2016/10/help-develop-ontarios-long-term-energy-plan.html?utm_source=ondemand&amp;utm_medium=email&amp;utm_campaign=p</a>

				<p>(OSEA).</p> <p>Furthermore, staff will develop key messages for the City of Guelph submission and communicate the identified messages for Council consideration in advance of the December 17 deadline.</p>			
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Provincial/Federal Consultation Alert							
Title	Ministry	Consultation Deadline	Summary	Proposed Form of Input	Rationale	Lead	Link to Ministry Website
OMB Reform	Municipal Affairs	December 19, 2016	<p>The Ministry of Municipal Affairs is reviewing the scope and effectiveness of the Ontario Municipal Board (OMB), an important part of the province's land use planning system.</p> <p>Through the OMB Review, the government will consider the OMB's scope (what it deals with) and effectiveness (how it operates) to determine improvements with respect to how the Board works within Ontario's broader land use planning system,</p>	<p>The province has scheduled a series of town halls, including one in Guelph on November 1, 2016. An RSVP is requested by October 28, 2016. Communications will promote the consultation session through social media channels.</p> <p>Staff will also be preparing a report to Council for the December 12 planning meeting.</p>	<p>Given the interest in this matter, Council input/participation is recommended.</p> <p>Upon the review/analysis of the Consultation Document, staff will prepare a recommended response for Council review at the December 12 Council meeting.</p>	Planning	<a href="http://www.mah.gov.on.ca/Page15027.aspx">http://www.mah.gov.on.ca/Page15027.aspx</a>



# ONTARIO ENERGY BOARD NOTICE TO CUSTOMERS OF UNION GAS LIMITED

**Union Gas Limited applied to change its natural gas rates effective January 1, 2017.**

**Learn more. Have your say.**

Union Gas Limited applied to the Ontario Energy Board to change its natural gas rates effective January 1, 2017.

A portion of the change is set using a formula previously approved by the Ontario Energy Board for the period 2014-2018. The formula is tied to inflation and other factors intended to promote efficiency.

Some customers are also impacted by Union Gas Limited's proposal for a new Customer Managed Service for new and existing Union South Rate T2 customers. Union Gas Limited's application also includes the implementation of the Union North Cost Allocation and Rate Design and the Parkway Delivery Commitment Incentive, both of which were previously approved by the Ontario Energy Board.

If the application is approved, an average residential customer of Union Gas Limited would see the following service areas changes and annual impacts.

Previous Service Area	New Service Area	Annual Change
South	South	\$13.35
Fort Frances	North West	-\$8.05
Northwestern	North West	\$17.55
Northern (Union SSMDA)	North West	-\$28.75
Northern (Union NDA)	North East	-\$11.17
Eastern	North East	-\$50.33

## THE ONTARIO ENERGY BOARD WILL HOLD A PUBLIC HEARING

The Ontario Energy Board (OEB) will hold a public hearing to consider Union Gas' request. We will question the company on its case for a rate change. We will also hear questions and arguments from individual customers and from groups that represent Union Gas' customers. At the end of this hearing, the OEB will decide what, if any, rate changes will be allowed.

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides you with reliable energy services at a reasonable cost.

## BE INFORMED AND HAVE YOUR SAY

You have the right to information regarding this application and to be involved in the process.

- You can review Union Gas' application on the OEB's website now.
- You can file a letter with your comments, which will be considered during the hearing.
- You can become an active participant (called an intervenor). Apply by **October 24, 2016** or the hearing will go ahead without you and you will not receive any further notice of the proceeding.
- At the end of the process, you can review the OEB's decision and its reasons on our website.

The OEB intends to consider cost awards in this proceeding that are in accordance with the *Practice Direction on Cost Awards* and only in relation to Union Gas' proposals on the Rate T2 Customer Managed Service, the Union North Cost Allocation and Rate Design Implementation and the Parkway Delivery Commitment Incentive.

## LEARN MORE

Our file number for this case is **EB-2016-0245**. To learn more about this hearing, find instructions on how to file letters or become an intervenor, or to access any document related to this case, please enter the file number **EB-2016-0245** on the OEB website: [www.ontarioenergyboard.ca/participate](http://www.ontarioenergyboard.ca/participate). You can also phone our Consumer Relations Centre at 1-877-632-2727 with any questions.

## ORAL VS. WRITTEN HEARINGS

There are two types of OEB hearings – oral and written. The OEB will determine at a later date whether to proceed by way of a written or oral hearing. If you think an oral hearing is needed, you can write to the OEB to explain why by **October 24, 2016**.

**PRIVACY**

*If you write a letter of comment, your name and the content of your letter will be put on the public record and the OEB website. However, your personal telephone number, home address and email address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.*

*This rate hearing will be held under section 36 of the Ontario Energy Board Act, S.O. 1998 c.15 (Schedule B).*

