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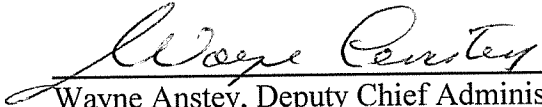
PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Halifax Regional Council**  
**November 28, 2006**

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**

  
\_\_\_\_\_  
Dan English, Chief Administrative Officer

  
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Wayne Anstey, Deputy Chief Administrative Officer

**DATE:** November 21, 2006

**SUBJECT:** Award- RFP No. 06-125, HRM Community Energy Plan

### **ORIGIN**

2006 Regional Council approval of the 25 year Regional Plan, which includes functional plans in its deliverables. A Community Energy Plan is a required functional plan of the Regional Plan. Discussions at Regional Council's Sub Committee on Energy and Underground Services.

### **RECOMMENDATION**

It is recommended that Halifax Regional Council award RFP-06-125, Community Energy Plan to the highest scoring proponent, Lewis Engineering Inc. in association with Jacques Whitford Consulting Ltd. at a cost of \$ 204,040 (net HST included) from Capital Account # CDI00697 District Energy Concept; Capital Account # CDE00105 Regional Planning Program and Cost Center D945 Projects as outlined in the Budget Section of this Report.

## **BACKGROUND**

One of Halifax Regional Municipality's (HRM) four corporate themes is a "healthy, sustainable, vibrant community". A clean environment, high quality of life & a robust economy are very important to citizens of HRM.

In support of this theme, Halifax Regional Municipal Council recently approved the 25 year Regional Plan after a three year community consultative process. The Regional Plan is a guide for the future development of the Halifax Regional Municipality (HRM) and integrates land use planning and long term coordination. It is a framework that outlines how future sustainable growth should take place in HRM, in a way that preserves the environment while at the same time maintaining a strong economy.

Key deliverables in the Regional Plan include Functional Plans. The purpose of a functional plan is to guide the management of a Municipality as defined in the Municipal Government Act. They do not represent land use policy but rather HRM's intent to create detailed management guides for setting budgets for programs, services and facilities consistent with the Regional Plan. Some functional plans are operational; some set specifics on details and design, and some will include all of this.

A **Community Energy Plan** is a required Functional Plan of the Regional Plan. It is also a business plan goal of Environmental Management Services and a key component of the integrated systems approach to clean air, land, water and energy.

Several supporting corporate plans and strategies have been recently completed including Climate SMART (climate change mitigation and adaptation planning), Clean Air Strategy, Corporate and Community Greenhouse Gas (GHG) Emission Reduction Plans, etc. **A major component yet to be completed is a comprehensive Community Energy Plan.**

The Community Energy Plan will be a comprehensive document, in essence a road map to guide decisions, investments and community form related to energy. Some front end pieces such as the corporate and community greenhouse gas plans and climate change strategy have been completed. Some others such as the Wind Generation Master Plan Initiation Report approved by Council on November 21, are proceeding concurrently.

## **DISCUSSION**

A Terms of Reference setting the scope of work was prepared and a Request for Proposals was issued and closed on September 29, 2006 for RFP No. 06-125 for a Community Energy Plan. A creative problem solving approach, tailored to the physical, socioeconomic, and environmental needs specific to HRM as a municipality, including its ongoing related environmental planning was desired.

The goal of a Community Energy Plan (CEP) includes design for energy efficiency in community systems as a tool of reaching long term sustainability. A CEP selects land use and full community

design and infrastructure options based upon their ability to make the most efficient use of energy. The CEP is a collaborative effort where contributions to the direction and goals of the plan are sought and incorporated. The Community Energy Plan will be an important strategic and decision making document/reference for HRM and must be thorough, practical, achievable, cost effective and measurable.

Earlier this year, HRM partnered with Natural Resources Canada to prepare a national template for Community Energy Planning. This project will pilot this national template.

**Broad Objectives Include:**

The following broad objectives are to be met:

- The Community Energy Plan (CEP) should be consistent and be integral with existing HRM strategic, environmental and planning objectives including the 25 year Regional Plan.
- The CEP shall ensure continued delivery of municipal services requiring energy inputs. This includes such things as buildings, infrastructure, public transit, fleet, waste management, traffic lights, etc.
- The CEP shall put out goals to ensure energy security within the Municipality. Security includes safety and readily available cost effective supply.
- The CEP should lead to greater GHG emissions reductions.
- The CEP shall be environmentally, fiscally and socially sustainable.
- The CEP shall promote energy efficiency and establish a commitment to increased renewable energy capacity. This includes such things as wind, solar, geo-thermal, biofuels, etc.
- The CEP shall provide effective options around energy for short and long term use planning.

**Key Components**

The Community Energy Plan will be presented as defined phases/steps and will include key components such as:

- Energy Resource Assessments
- Greenhouse Gas Emission Inventories and/or Direct Link to Existing Plans
- Future Energy Demands
- Future Energy Supply Goals
- Specific Actions for Energy Use Reduction and Clean Energy Expansion
- Detailed Implementation Plans
- Monitoring and Implementation Performance Measurement Plans
- Comprehensive Consultation Processes
- Socio-Economic Assessment
- Public and Internal Outreach and Education Programs
- Supplemental Funding Plans

**Community/Business/Industry Consultations**

Extensive consultation with the major community, business and industry stakeholders in developing the various energy profiles, options and opportunities will be carried out.

**RFP RESPONSES:**

Proposals were received from the following firms:

- Dillon Consulting - Halifax
- EDM - Environmental Design & Management - Halifax
- Lewis Engineering/Jacques Whitford - Halifax/Dartmouth

A team consisting of staff from Environmental Management Services, Finance, Community Development and Transportation and Public Works evaluated the proposals based on the criteria listed in appendix A- Evaluation Scorecard:

The final scoring for the proponents is as follows:

Company	Scoring (max 100)
<b>Lewis Engineering/Jacques Whitford</b>	<b>85</b>
Dillon Consulting	71
Environmental Design Mgt. Services	56

Note: It is also noted that the Lewis Engineering / Jacques Whitford proposal also offered approximately 275 to 320 more hours of work than the other two proponents.

**BUDGET IMPLICATIONS**

Based on Lewis Engineering / Jacques Whitford quoted cost of \$ 204,040, including net HST funding is available from the following accounts: Capital Account # CDI00697 District Energy Concept; Capital Account # CDE00105 Regional Planning Program and Cost Center D945 Projects. The Budget availability has been approved by Financial Services.

<b>Budget Summary:</b>	<p><b>Capital Acc. # CDI00697 District Energy Concept</b></p> <p>Cumulative Unspent Budget           \$40,224</p> <p>Less: RFP-06-125                         <u>\$31,029</u></p> <p>Uncommitted Budget                     \$ 9,195</p> <p><b>Capital Acc. # CDE00105 Regional Planning Program</b></p> <p>Cumulative Unspent Budget           \$830,967</p> <p>Less: RFP-06-125                         <u>\$ 41,372</u></p> <p>Uncommitted Budget                     \$789,595</p> <p><b>Cost Center D945 Projects</b></p> <p>Cumulative Unspent Budget           \$181,694</p> <p>Less: RFP-06-125                         <u>\$131,639</u></p> <p>Uncommitted Budget                     \$ 50,055</p>
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**Federation of Canadian Municipalities - Green Municipal Enabling Funds**

Staff has applied for a cost shared grant (\$96,000) through the Federation of Canadian Municipalities (FCM) Green Municipal Enabling Funds.

The application received preliminary approval by the FCM at the Letter of Intent Stage (March 2006) and a detailed application forwarded for final FCM Board approval scheduled for late February - early March 2007. If approved, (and we are hopeful ) the earliest that any funding would be received would be in the next fiscal year (07/08).

These particular grant applications go through a lengthy review process usually crossing through multiple budget years and the original dollar requests can often be modified making predictability even more challenging.

If the FCM Green Municipal Enabling Funds request receives final approval then these funds, once received, will be used towards directly related business plan priorities in 07/08.

**FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

**Regional Plan**

The Community Energy Plan is a Functional Plan deliverable of the Regional Plan.

**ALTERNATIVES**

- Regional Council could decide not to award this tender to the highest scoring proponent. This is not recommended as the scoring matrix indicates the best overall value and capabilities to complete the project.
- Regional Council could decide not to proceed with a Community Energy Plan. This is not recommended as it would not meet this requirement of the Regional Plan, resulting in increased energy risks through lack of a roadmap to guide decisions, investments and community form.
- Regional Council could approve the award of tender to the highest scoring proponent. Staff believe this provides the best overall value and capabilities to complete the Community Energy Plan (CEP) and this is the recommended option.

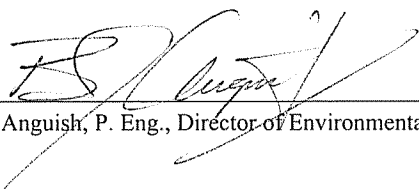
**ATTACHMENTS**

Appendix "A" - Summary of Evaluation Criteria


A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Stephen King, Manager, Sustainable Environment Management Office, 490-6130  
Gary Carpentier, Senior Procurement Consultant, 490-4202


Report Approved by:

  
Brad Anguish, P. Eng., Director of Environmental Management Services 490-4825

Procurement Review:

  
Anne Feist, Operations Manager, Procurement, 490-4200

Report Approved by:

  
Catherine Sanderson, Sr. Manager, Financial Services, 490-1562

Appendix "A"  
Summary of Evaluation Criteria

<b>HALIFAX REGIONAL MUNICIPALITY</b>					
Request for Proposals RFP#: 06-125					
Community Energy Plan					
ITEM		MAX SCORE			
			Lewis Eng	EDM	Dillon
<b>1</b>	<b>Firm</b> <b>1.1 Experience with Community Energy Plans (5 pts)</b> <b>1.2 Experience with Stakeholder Consultation Process (5 pts)</b> <b>1.3 Knowledge of Local Government (HRM) (5 pts)</b>	<b>15</b>	<b>14</b>	<b>8</b>	<b>10</b>
<b>2</b>	<b>Project Team</b> <b>2.1 Project Manager (5 pts)</b> <b>2.2 Project Team Members roles, experience, and qualifications (20 pts)</b>	<b>25</b>	<b>22</b>	<b>13</b>	<b>18</b>
<b>3</b>	<b>Methodology and Approach</b> <b>3.1 Workplan and overall approach to completing scope of work/ tasks (20 pts)</b> <b>3.2 Stakeholder Consultation Process/ Identification, etc (10 pts)</b> <b>3.3 Timing, Linkages, etc. (5 pts)</b> <b>3.4 Creativity and Innovation (5 pts)</b> <b>3.5 Added Value (5 pts)</b>	<b>45</b>	<b>37</b>	<b>20</b>	<b>30</b>
<b>4</b>	<b>Cost of Proposal</b> <b>4.1 All inclusive cost Excluding taxes</b>	<b>15</b>	<b>\$ 197,275</b>	<b>\$ 152,085</b>	<b>\$ 177,034</b>
			<b>12</b>	<b>15</b>	<b>13</b>
<b>Total Score Max</b>		<b>100</b>	<b>85</b>	<b>56</b>	<b>71</b>