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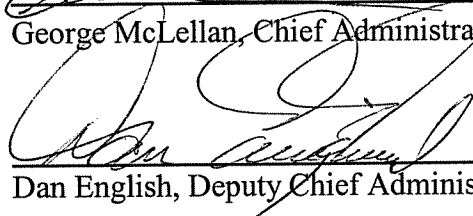
Halifax Regional Council
April 12, 2005

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



George McLellan, Chief Administrative Officer



Dan English, Deputy Chief Administrative Officer

DATE: April 5, 2005

SUBJECT: RFP - #05-029 - Fast Ferry Cultivation Project Award

ORIGIN

Staff.

RECOMMENDATION

1. It is recommended that Halifax Regional Council approve an increase in the Gross Budget of Capital Account CVV00649 - Expanding Ferry Network by \$210,000, including \$87,500 in cost sharing from ACOA and \$10,000 in cost sharing from the Nova Scotia Department of Energy and \$112,500 from the Strategic Growth Reserve, Q126.
2. It is recommended that Halifax Regional Council approve the award of RFP 05-029, Fast Ferry Cultivation Project to the highest ranking evaluated proposal, TDV Global Inc., for a project cost of \$156,680 including net HST from capital account CVV00649 - Expanding Ferry Network, as outlined in the Budget Implications section of this report.

BACKGROUND

At its meeting of July 6, 2004, Halifax Regional Council approved the creation of a Capital Budget account for the exploration of the feasibility of operating a high speed ferry service to Bedford.

Since initiation of the project, staff has undertaken the following tasks:

- research on existing fast ferry operations
- consultation with harbour regulatory bodies
- consultation with the Waterfront Development Corporation and other land owners on terminal siting issues in the Mill Cove area of Bedford
- basic economic feasibility analysis
- identification of fundamental vessel specifications and shortlisting of qualified and experienced design firms
- assessment of docking needs and required modifications to the Halifax ferry terminal

From the commencement of this initiative, there has been an assumption that the Federal Government would be courted as a partner in the project. Recent discussions with the Atlantic Canada Opportunities Agency (ACOA) have identified a number of assessment tasks to be addressed as part of the comprehensive business case needed to seek Federal funding. These tasks form the basis of the Fast Ferry Cultivation Project for which approval of funding and appointment of a consultant is now being sought. As indicated in the Budget Implications section of this report, ACOA has offered financial assistance as well as advice in defining this business plan and the Nova Scotia Department of Energy has also committed funding in recognition of the project's ability to reduce overall energy consumption and greenhouse gas emissions through transportation. Conducting this assessment did not appear in the 2005-06 budget presented to HRM Regional Council, as ACOA's interest in undertaking and partially funding this assessment had not been identified.

DISCUSSION

The project is referred to as a "cultivation" project as it is beyond a feasibility assessment, but short of a design project. It strives, instead, to identify and create an environment in which a fast ferry operation can thrive.

The project consists of two components:

- the consultant assignment identified in RFP 05-029
- chartering of a fast ferry vessel by HRM to allow the consultant to conduct wake-wash testing in Halifax Harbour

The project includes these key tasks:

- Market survey to support preliminary ridership forecast
- Economic impact assessment
- Harbour routing and operational plan
- In-harbour testing of wake-wash generation and other impacts
- Stakeholder consultation
- Identification of pedestrian connectivity needs

A notable feature of the wake-wash testing is that a fast ferry, identical in all aspects to the preliminary specifications for the HRM project, will be chartered by HRM from a private operator in Massachusetts and brought to Halifax harbour for two days. In addition to conducting the performance evaluation, this affords the opportunity to demonstrate the proposed service to the media, the public, and potential project funders.

A Request for Proposal was publicly advertised and closed on February 15, 2005 with the following four companies responding:

IBI	Marinova
MRC	TDV Global

A team consisting of representatives from Transportation and Public Works, Deputy CAO's Office, Transit and ACOA and facilitated by Procurement evaluated the submissions against the following criteria:

- Expertise of Firm and Project Team and Understanding of Scope of Work
- Proposed Methodology
- Cost

The submissions were short listed to the following two companies:

COMPANY NAME	TOTAL SCORE	TOTAL PRICE INCL. NET TAX
MRC	82	\$157,342
TDV Global	84	\$156,680

Appendix A - Evaluation Summary provides the detailed breakdown of the total scoring and fees. Staff is confident that the highest ranking proponent will perform in a satisfactory manner.

BUDGET IMPLICATIONS

Funding commitments to the Fast Ferry Cultivation Project have been made by ACOA and the Nova Scotia Department of Energy. The following provides a summary of the capital account for the Fast Ferry Project. The availability has been confirmed by Financial Services.

Budget Summary: Capital Account CVV00649 - Expanding Ferry Network

Cumulative Unspent Budget	\$ 42,591
Plus: Transfer from Strategic Growth Reserve (Q126)	\$ 112,500
Plus: Cost Sharing from ACOA	\$ 87,500
Plus: Cost Sharing from N. S. Dept. of Energy	<u>\$ 10,000</u>
Available	\$ 252,591
Less: Fast Ferry Cultivation Project	<u>\$ 210,000</u>
	\$ 42,591

Chartering of the fast ferry meets the criteria of the HRM Procurement Policy, whereby a sole source purchase may be negotiated where an item is purchased for testing or trial use. Even so, staff has received two separate bids for a vessel charter and will negotiate a final contract with the lower bidder.

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.

ALTERNATIVES

Regional Council may choose not to undertake the Fast Ferry Cultivation Project or to award the project to a proponent other than that recommended by staff.

ATTACHMENTS

Appendix A - Evaluation Summary

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: David McCusker, P.Eng., Manager, Regional Transportation Planning 490-6696 *DMC*
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Report Approved by: *Kathy Smith*
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Mike Labrecque
Mike Labrecque, P.Eng., Director, Transportation and Public Works 490-4851

S. Dale MacLennan
S. Dale MacLennan, CA, Director, Financial Services 490-6308

Anne Feist
Anne Feist, Acting Manager of Procurement 490-4200

APPENDIX A - EVALUATION SUMMARY
HALIFAX REGIONAL MUNICIPALITY
BEDFORD FAST FERRY CULTIVATION PROJECT
PROPOSAL EVALUATION RFP # 05-029

PROPOSAL: Bedford Fast Ferry Cultivation Project		EVALUATED BY: Transportation and Public Works, Deputy CAO's Office, Transit, OCOHA AND facilitated by PROCUREMENT	
CRITERIA	MAX. SCORE	SUBMISSION	
		MRC	TDV GLOBAL *
1. Expertise of Firm and Project Team and Understanding of Scope of Work a) relevant skills b) recent experiences c) comprehension of project objs. and associated issues and references	50	41	44
2. Proposed Methodology a) stated methodology meets proposal's objs. b) quality of proposal approach c) consultant's schedule d) consideration of options and solutions	40	32	31
3. Cost	10	9	9
	plus HST	\$152,125	\$151,484
TOTAL	100	82	84
RANKING		2	1

* denotes the highest ranking proponent