



December 2, 2022

Sherri Higgens

shiggins@stjohns.ca

**Reference: Request for Proposals for 2025 Jeux du Canada Games
Track, Turf & Field and Centre of Excellence Facility**

We are writing on behalf of the Association of Consulting Engineering Companies of Newfoundland and Labrador (ACEC-NL) concerning the above referenced Request for Proposal (RFP) number 2022210, currently closing on January 25, 2023. Our association represents the business interests of consulting engineering firms in Newfoundland and Labrador.

We are concerned that this request is asking for considerable up-front design and technical work in coordinating a complex project on a highly challenging site with no compensation for firms that choose to bid on this important project for the City of St. John's, except for the winning proposal. While we understand there are hard schedule constraints that the city and its stakeholders are facing, the current request for proposal is asking for substantial investment from many professional engineering and architectural firms. This investment will require significant use of resources from each firm that chooses to bid.

Typically, an open call such as this would include an honourarium that, at the very least, offsets some of the incurred costs. Rather than the City pay out an honourarium to ten or more bidders, there could be a two-step process whereby firms could first submit their team make-up, company brochures, and a record of similar projects completed. From this low-cost process, the City could select three or four preferred groups to advance to step two. This second step would require the short-listed firms to produce a concept design with some creativity, and allow contractors to more accurately estimate the cost of construction. Unsuccessful proponents from the short list would then be paid an appropriate stipend to help offset some up-front costs. Most design build projects of this magnitude will have a certain level of upfront design work completed so that respondents are not starting from 'scratch'. As this proposal currently stands, there is very little design basis provided and many unknowns which in turn leads to a much higher assumed risk by the proponent and less interest by industry. There is a risk that the quality of the proposals that the City will receive, and in turn the quality of the project, will suffer as a result of this risk transfer.

The City of St. John's and its stakeholders are asking to receive the benefit of this work from all the respondents and should be prepared to pay a reasonable fee for these professional proposals and services. Generally, unsuccessful proponents receive an honourarium equal to the value and complexity of the proposal being requested.



Honourarium are typical based on a number of factors including:

1. The level of information supplied, and in turn the level of effort required to develop a design and pricing proposal.
2. The level of effort required to be expended, based on cost and scope necessary to deliver the proposal.
3. Estimated Construction cost
4. Complexity of the project
5. Level of detail required by the owner's requests.

Based on this project and the factors described above, we would ask that the City of St. John's reconsider including an honourarium to help offset the amount of time and financial commitment that is being asked of private industry for this RFP. We appreciate that writing proposals is a part of our business; however, RFPs need to have clear scopes of work for the consultant to provide the best solution and right price for clients and their projects.

We look forward to your attention in this matter and we are available at your convenience to discuss further. We can be reached at the coordinates below.

Sincerely,

Christy Cunningham, P.Geo., Executive Director
Association of Consulting Engineering Companies – Newfoundland & Labrador (ACEC-NL)
(506) 651-6562
ccunningham@acecnl.ca
www.acecnl.ca

cc.

Tonya Knopp - tknopp@stjohns.ca
Danny Breen - mayor@stjohns.ca
Sheilagh O'Leary - soleary@stjohns.ca
Jill Bruce - jbruce@stjohns.ca
Debbie Hanlon – dhanlon@stjohns.ca
Ron Ellsworth – rellsworth@stjohns.ca

Jamie Korab - jkorab@stjohns.ca
Ian Froude - ifroude@stjohns.ca
Carl Ridgely - cridgeley@stjohns.ca
Maggie Burton – mburton@stjohns.ca
Ophelia Ravencroft - oravencroft@stjohns.ca
Sandy Hickman – shickman@stjohns.ca