

February 18, 2016



Dear 

**Re: Request for Access to Information under Part II  
of the Access to Information and Protection Privacy Act**

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On February 15, 2016 the City of St. John's received your request for access to the following information:

*"All memos, letters, emails, briefing notes regarding the possible purchase of land in the South Western area of St. John's for a new Fire Hall and Depot in 2015/2016."*

Enclosed is the information you requested. As the provision of the information constitutes full disclosure, we now consider this matter completed and will be closing the file.

If you have any further questions, please feel free to contact the undersigned by telephone at 576-8202 or by e-mail: [ehenley@stjohns.ca](mailto:ehenley@stjohns.ca).

Yours truly,

A handwritten signature in cursive script that reads "Elaine A. Henley".

Elaine A. Henley  
City Clerk

Enclosures

**ST. JOHN'S**

# DECISION/DIRECTION NOTE

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Title: Purchase of Land for the New West End Public Works Depot

Date Prepared: November 4, 2015

Report To: His Worship the Mayor and Council

Ward: Ward 5

Decision/Direction Required: November 9, 2015

## Discussion – Background and Current Status:

In March of 2015, Council accepted the final report titled a *Review of Winter Maintenance Services* as prepared by KPMG (CD#S2015-03-02/2). One of the issues that KPMG addressed in the study was the future expansion of the urban footprint and its effect on the City's ability to deliver timely services, particularly snow clearing and ice control services, to a rapidly expanding city. In particular, the consultants noted that the largest area for expansion would be in the southwest where expansion of Southlands and the Galway development, with its 5,000 residential units plus a large commercial and industrial development, was being undertaken.

The report went on to state that the current Department of Public Works depot, located on Blackler Avenue, was approaching full capacity. As such, as the City continues to expand over the medium to long term, there is a requirement for a second public works depot. The satellite depot should be similar in functionality to the Blackler Avenue depot in terms of accommodating the needs of all of the City's service delivery groups in the field, incorporating an administration building, fleet facility and fueling facility and containing adequate space for protected salt and sand storage and some indoor vehicle storage. It should also provide space for trucked snow storage as needed.

An analysis was conducted of the current Goulds satellite depot to determine if it could be expanded to meet the identified functional requirements. It was determined that the Goulds depot was too small to grow into the new west end satellite depot without there being substantial expansion and encroachment either into the park land to the north or the existing properties to the south. The consultants concluded that the depot in the Goulds is in a suboptimal location as the larger expansion was taking place in the southwest. That being the case, and with the planning and development of the residential, commercial and industrial lands in the southwest moving ahead rapidly, it would be appropriate to identify and secure a location for the satellite west end public works depot while land was available and before land prices escalated.

In April of 2015, staff provided Council with its analysis and costing of implementing the

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recommendations contained in the report. With respect to the KPMG recommendation respecting the identification and acquisition of a suitable site for a satellite depot to be located in the southwest urban area, staff made the following recommendation:

*“It is recommended that special consideration be given to moving this initiative forward in the near future. Given City growth that has already occurred as well as planned future growth, it is prudent to plan for at least one additional full-function Public Works depot. This would most likely be sited near Southlands/Galway/Goulds where proposed growth will be significant. It would be advisable to consider land acquisition now for this future depot, for which KPMG estimates a land only cost of \$4.0 to \$5.0 million, with future development costs of \$42.0 to \$48.0 million in multiple phases.”*

In determining the ideal location for the new satellite west end depot, staff identified the following criteria as a guideline:

- 1) The site should be located near the Southlands/Galway/Goulds urban footprint as this area has been identified as having significant residential, commercial and industrial growth potential over the medium to long term;
- 2) The site should provide the most efficient access to the Trans Canada Highway, Kenmount Road, Topsail Road, Pitts Memorial Drive, Southlands Boulevard, Robert E. Howlett Drive transportation corridors;
- 3) The site should have a developable area of approximately twenty acres (the Blackler Avenue depot site is approximately seventeen acres); and
- 4) The site should allow for the efficient placement of the required public works building as well as providing sufficient space for the eventual construction of a Galway Fire Station to provide fire protection to the area once the growth in the area warrants its construction.

Based on the above criteria, staff has identified a piece of land in the industrial section of the Galway development that meets all of the above noted criteria. The parcel of land is located immediately adjacent to the roundabout access to the Trans Canada Highway which provides quick access to Kenmount Road, Topsail Road, Pitts Memorial Drive and the off ramp to Robert E. Howlett Drive and direct access to Southlands Boulevard. The parcel of land is 19.77 acres, is rectangular in layout and should be able to accommodate both the public works depot buildings and the fire station (the fire station would require separation away from noise due to the sleeping quarters that would be in the building so it will have to be sited carefully in relation to the depot activities). Finally, the parcel is of sufficient size to provide on-site snow storage thus reducing the costs of trucking snow from the expanded west end to the harbor to be dumped.

Key Considerations/Implications:



1. Budget/Financial Implications

Land acquisition costs are estimated to be \$4 million to \$5 million. Funding to come from the 2016 capital budget.

2. Partners or Other Stakeholders

N/A

3. Alignment with Strategic Directions/Adopted Plans

Aligns with the following strategic directions:

- a) **Neighbourhoods Build Our City** – promote a safe and secure city; improve neighbourhood-level services; deliver satellite and alternative methods for City services and information.
- b) **A City for All Seasons** – develop a winter city strategy; support a weather resilient city.
- c) **Fiscally Responsible** – develop multi-year budgeting framework/alignment with strategic directions.

Addresses specific recommendations contained in the KPMG report *Review of Winter Maintenance Services*

4. Legal or Policy Implications

N/A

5. Engagement and Communications Considerations

N/A

6. Human Resource Implications

N/A

7. Procurement Implications

Identified property will be purchased from the developer.

8. Information Technology Implications

N/A



9. Other Implications

N/A

Recommendation: It is recommended that Council direct the City Manager to enter into negotiations with the owner of the identified parcel of land and to bring the Agreement of Purchase and Sale back to Council for final ratification.

Approved by/Date/Signature:

**2015-11-05**

A handwritten signature in black ink that reads "Neil Mouton". The signature is written in a cursive style with a large initial 'N'.

**City Manager**

Attachments: Plot Plan for preferred site for the new west end satellite Department of Public Works depot. Plot # 1 - 8.00 hectares (19.77 acres)

**ST. JOHN'S**

November 10, 2015

Mr. Danny Williams  
President and CEO  
DEWCorp  
P.O. Box 1919  
34 Harvey Road, 5<sup>th</sup> Floor  
St. John's NL A1C 5R4

Dear Mr. Williams:

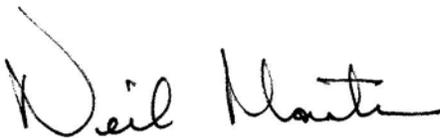
**Re: Purchase of Industrial Property, Galway Development**

I am writing further to our telephone conversation of November 9, 2015 in which we discussed the purchase of the 8 hectare (19.77 acre) parcel of industrial land identified in the plot plan that you have previously provided to the City of St. John's. Council, at its Special Meeting of November 9, 2015 has directed that I enter into negotiations with DEWCorp with a view towards acquiring the identified parcel.

During our discussion, you referenced that your position with respect to the sale price was that DEWCorp was prepared to sell the land to the City of St. John's for **\$475,000 per acre**. My response was, and remains, that the City is not prepared to purchase the land at that price and that I would respond to you by this week with the City's counter offer. That counter offer is that the City is prepared to purchase the complete 8 hectare (19.77 acre) parcel of land for **\$300,000 per acre**.

As I stated in our telephone conversation, now that we have established the opening positions for both parties, I will now have our negotiating team, being comprised of Mr. Andrew Woodland and Mr. Gareth Griffeth, contact Mr. Craig Hippern, Chief Financial Officer of DEWCorp, to commence the negotiations. I am positive that both parties want to see a successful conclusion to the negotiations and I have directed our team to move the discussions forward as quickly as possible

Yours truly,

A handwritten signature in black ink that reads "Neil Martin". The signature is written in a cursive style with a large initial "N" and "M".

Neil A. Martin  
City Manager

CC: Messers Andrew Woodland and Gareth Griffeth, City of St. John's  
Mr. Craig Hippern, DEWCorp

# DECISION/DIRECTION NOTE

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Title: Purchase of Land from DEWCorp in the Galway Development for the Future Public Works Depot and Galway Fire Station.

Date Prepared: December 24, 2015

Report To: His Worship the Mayor and Council

Ward: Ward 5

Decision/Direction Required: Council Direction Required as to the Option to be taken with respect to the Purchase of a Twenty (20) Acre Block of Land on the Galway Industrial Park.

## Discussion – Background and Current Status:

In March of 2015, Council accepted the final report titled a *Review of Winter Maintenance Services* as prepared by KPMG (CD#S2015-03-02/2). One of the issues that KPMG addressed in the study was the future expansion of the urban footprint and its effect on the City's ability to deliver timely services, particularly snow clearing and ice control services, to a rapidly expanding city. In particular, the consultants noted that the largest area for expansion would be in the southwest where expansion of Southlands and the Galway development, with its 5,000 residential units plus a large commercial and industrial development, was being undertaken.

The report went on to state that the current Department of Public Works depot, located on Blackler Avenue, was approaching full capacity. As such, as the City continues to expand over the medium to long term, there is a requirement for a second public works depot. The satellite depot should be similar in functionality to the Blackler Avenue depot in terms of accommodating the needs of all of the City's service delivery groups in the field, incorporating an administration building, fleet facility and fueling facility and containing adequate space for protected salt and sand storage and some indoor vehicle storage. It should also provide space for trucked snow storage as needed.

An analysis was conducted of the current Goulds satellite depot to determine if it could be expanded to meet the identified functional requirements. It was determined that the Goulds depot was too small to grow into the new west end satellite depot without there being substantial expansion and encroachment either into the park land to the north or the existing properties to the south. The consultants concluded that the depot in the Goulds is in a suboptimal location as the larger expansion was taking place in the southwest. That being the case, and with the planning and development of the residential, commercial and industrial lands in the southwest moving ahead rapidly, it would be appropriate to identify and secure a location for the satellite west end public works depot while land was available and before land prices escalated.

**ST. JOHN'S**

In April of 2015, staff provided Council with its analysis and costing of implementing the recommendations contained in the report. With respect to the KPMG recommendation respecting the identification and acquisition of a suitable site for a satellite depot to be located in the southwest urban area, staff made the following recommendation:

*“It is recommended that special consideration be given to moving this initiative forward in the near future. Given City growth that has already occurred as well as planned future growth, it is prudent to plan for at least one additional full-function Public Works depot. This would most likely be sited near Southlands/Galway/Goulds where proposed growth will be significant. It would be advisable to consider land acquisition now for this future depot, for which KPMG estimates a land only cost of \$4.0 to \$5.0 million, with future development costs of \$42.0 to \$48.0 million in multiple phases.”*

In determining the ideal location for the new satellite west end depot, staff identified the following criteria as a guideline:

- 1) The site should be located near the Southlands/Galway/Goulds urban footprint as this area has been identified as having significant residential, commercial and industrial growth potential over the medium to long term;
- 2) The site should provide the most efficient access to the Trans Canada Highway, Kenmount Road, Topsail Road, Pitts Memorial Drive, Southlands Boulevard, Robert E. Howlett Drive transportation corridors;
- 3) The site should have a developable area of approximately twenty acres (the Blackler Avenue depot site is approximately seventeen acres); and
- 4) The site should allow for the efficient placement of the required public works building as well as providing sufficient space for the eventual construction of a Galway Fire Station to provide fire protection to the area once the growth in the area warrants its construction.

Based on the above criteria, staff has identified a piece of land in the industrial section of the Galway development that meets all of the above noted criteria. The parcel of land is located immediately adjacent to the planned roundabout access to the Trans Canada Highway which will provide quick access to Kenmount Road, Topsail Road, Pitts Memorial Drive and the off ramp to Robert E. Howlett Drive and direct access to Southlands Boulevard. The parcel of land is 19.77 acres, is rectangular in layout and should be able to accommodate both the public works depot buildings and the fire station (the fire station would require separation away from noise due to the sleeping quarters that would be in the building so it will have to be sited carefully in relation to the depot activities). Finally, the parcel is of sufficient size to provide on-site snow storage thus reducing the costs of trucking snow from the expanded west end to the harbor to be dumped.

At its Special Meeting of November 9, 2015, Council authorized the City Manager to enter into discussions with DEWCorp to acquire the identified parcel of land and to bring the



terms of an agreement back to Council for its review and approval (CD# S2015-11-09/4). The City Manager appointed a negotiation team made up of Andrew Woodland, Legal Counsel and Gareth Griffith, Manager of Assessments to conduct the negotiations with DEWCorp. The City's opening position was \$300,000 per acre while DEWCorp's was \$475,000 per acre. Both parties have subsequently exchanged property appraisals in support of their respective current price point positions. The City's appraisal was conducted by Provident Valuation and Advisory Services Ltd. and set the appraised value at \$375,000 per acre. DEWCorp's appraisal was conducted by the Altus Group and set the appraised value at \$475,000 per acre.

Based on the fact that the twenty acre parcel subject to the negotiations meets all the criteria outlined above and that the land is being purchased for a future use at which point in time it is anticipated that the land value will have increased should the City wish to purchase the block of land at some point in the future, it is felt that a offer of \$400,000 per acre or a total price of \$8,000,000 is reasonable. DEWCorp has countered with a price per acre of \$425,000 or a total of \$8,500,000. Both sides have now narrowed their difference to \$25,000 per acre or \$500,000. The negotiations have therefore concluded and Council's direction is now needed as to the next step to be taken. Those steps include:

- 1) Ending the negotiations without making the land purchase. The City will, however, have to purchase land in the southwest area in order to provide timely and efficient service to that fast growing and major area of expansion. The future cost of such a purchase of services land is likely to be at a higher cost than \$400,000 per acre.
- 2) Moving the offer to \$425,000 per acre which will culminate in the purchase of the land. That figure exceeds the City's current appraisal on the land by \$50,000 per acre but is less than DEWCorp's current appraisal by an equivalent amount of \$50,000 per acre. It is, in essence, the mid-point and could be deemed to be less than the estimated future value of a like or similar purchase of an equivalent block of land in the same or immediate area, should such land continue to be available.
- 3) Expropriate the land with a view towards extending the negotiations or have an eventual price set by the Public Utilities Board. This is the least desirable of the three options available to Council since it will taint the possibility of arriving at a mutually acceptable agreement, it would create a negative perception of the Galway development itself from a marketing perspective and there is no guarantee as to the eventual price per acre that may be set by the PUB.

#### Key Considerations/Implications:

##### 1. Budget/Financial Implications

The City is prepared to offer \$400,000 per acre for a total cost of \$8,000,000 while DEWCorp has countered with \$425,000 per acre for a total cost of \$8,500,000 for a difference of \$25,000 per acre or \$500,000. Funding for the purchase of the parcel of land, should it proceed, will come from the 2016 Capital Budget.



2. Partners or Other Stakeholders

The City of St. John's and DEWCorp.

3. Alignment with Strategic Directions/Adopted Plans

Aligns with the **Neighbourhoods Build our City, A City for All Seasons**, being **Fiscally Responsible**, being **Responsive and Progressive**, and being an **Effective Organization** strategic directions in the Corporate Strategic Plan. Aligns with the *Review of Winter Maintenance Services* report as prepared by KPMG on implementing efficiencies in our snow clearing and ice control operations.

4. Legal or Policy Implications

The authority to purchase the land derives from Council's legal powers under s.90(1) of *The City of St. John's Act* which states that "The Council shall have the power to acquire lands by purchase or gift, and to hold lands for use of the city...".

5. Engagement and Communications Considerations

There must be a clear statement provide to the general public as to the long term strategic rationale for the purchase of the land should it proceed.

6. Human Resource Implications

N/A

7. Procurement Implications

The procurement process clearly falls within Council permissible powers under s.(90)1 of *The City of St. John's Act*.

8. Information Technology Implications

N/A

9. Other Implications

N/A

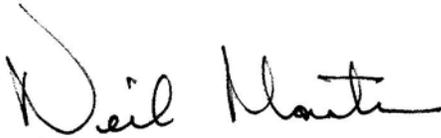


Recommendation:

Council is requested to provide direction to the City Manager as to the option it wishes to have pursued, i.e.:

- 1) Direct that the negotiations are to end;
- 2) Direct that the City Manager accept the offer of \$425,000 per acre and that the Office of the City Solicitor proceed to have an Offer of Purchase and Sale prepared and executed on that basis; or
- 3) Direct that the City give notice of its intention to proceed to expropriation.

Approved by/Date/Signature: **2015-12-24**

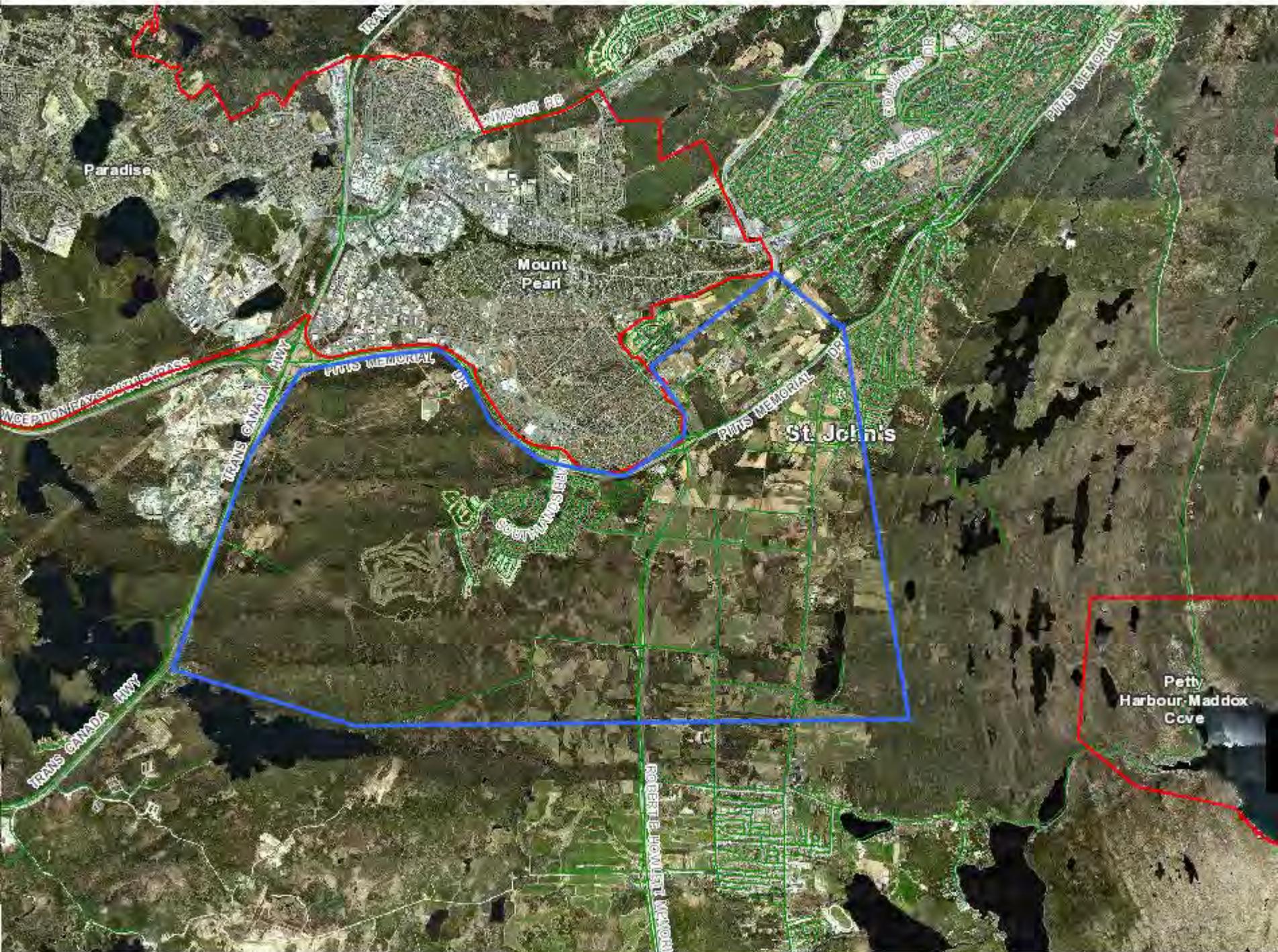


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**Neil A. Martin, City Manager**

**ST. JOHN'S**

# Schedule "A"



-  Area of interest
-  City boundary

RFP2016002 Land for Future West End  
City Depot and Fire Station

**Request for Proposals (“RFP”) for Land for Future West End City  
Depot and Fire Station.**

**January, 2016**

## **1.0 Introduction**

- 1.1. Request for Proposals (“RFP”) to obtain a suitable site for a future West End City Depot and fire station.

## **2.0 Background**

- 2.1. In recent years the City of St. John’s has been growing in the Southwest region, and is expected to continue to grow into the future, resulting mainly from the Southlands and Galway/Glencrest Developments. The City recently engaged KPMG to review the current winter maintenance services and to provide recommendations for moving forward. This report, finalized in 2015, stated that the Main Depot on Blackler Avenue has almost reached its capacity, with expected use to increasing over time. The report further stated that the Goulds Depot is in a suboptimal location for the anticipated growth areas of the City, and would also need to be extensively expanded into park land or neighbouring properties. Ultimately, the report recommends that the City purchase a site for a second Depot, similar in size/function to the Blackler Avenue location, and that this site would be best located in the Southwest region of the City, given the anticipated growth.

The City is investigating options for this second Depot site (the “Site”), and has prepared this RFP to identify, assess, and consider suitable options.

- 2.2. Compensation: The total compensation to the successful Respondent, if any, will be at Fair Market Value, which will vary depending on the specific characteristics of each proposed Site.

## **3.0 Objectives**

- 3.1. The objective of this RFP is for the City to identify a suitable Site for a future West End City Depot and Fire Station to service the expanding needs of the City in this region;
- 3.2. The Site selected will meet the necessary criteria as outlined herein;

#### **4.0 Definitions**

4.1. Throughout this RFP the following definitions apply:

- a) “City” means the City of St. John’s;
- b) “Closing Time” means the closing date, time, and place as set out in Section 7.2 of this RFP;
- c) “Fair Market Value” means the highest price, expressed in dollars, that a property would bring in an open and unrestricted market, between a willing buyer and a willing seller who are both knowledgeable, informed, and prudent, and who are acting independently of each other;
- d) “Respondent” means an individual or a company or a firm that submits, or intends to submit, a Response;
- e) “RFP” or “Request for Proposals” means a request for proposals, inclusive of all appendices and any addenda that is issued by the City;
- f) “Submission” means the consultant’s response to this RFP in the format as defined herein.

#### **5.0 Criteria**

5.1. The following is a list of Criteria that the Respondent’s proposed Site must meet. The Respondent’s proposal shall address each of these Criteria. If the Criteria are not currently met by the proposed Site, the Respondent must provide a plan for meeting said criteria within the timelines provided herein;

Criteria for Land:

<p>The proposed Site is required to meet the following criteria:</p> <p>“Must Have”</p>	<p>Any deviation from criteria which are listed as “Must Have” must be identified in this column. If no deviation is shown, it will be considered that the proposed solution meets or exceeds the requirement stated. The City may accept deviations to the “Must Have” criteria in the City’s sole discretion.</p>
<p><b>Zoning:</b></p> <p>The proposed Site must be zoned Industrial or Light Industrial</p>	
<p><b>Size:</b></p> <p>The proposed Site must be a minimum of 20 acres up to a maximum size of 25 acres.</p> <p>The general shape of the property must be suitable for development</p>	
<p><b>Location:</b></p> <p>The proposed Site must be located in the vicinity of Southlands/Glencrest/Galway and be within the Southwest boundary of the City. The Site must be located within the area delineated on the map contained in Schedule “A” attached hereto. Within the area identified there may be some locations that satisfy the City's needs better than others, which will be determined in the City's sole discretion and with points allocated accordingly.</p>	
<p><b>Site Readiness:</b></p> <p>The Site must not be of an elevation or steepness of grade that prevents development intended by the City.</p>	

<p><b>Access:</b></p> <p>The proposed Site must have accessible frontage on a public road with easy access to the TCH, Kenmount Road, Topsail Road, Pitts Memorial Drive, Southlands Boulevard, and the Robert E. Howlett transportation corridor. Suitability of each proposed Site's access will be considered as to how well it satisfies the City's needs, in the City's sole discretion, and points will be allocated accordingly</p>	
<p>The proposed Site should meet the following criteria:</p> <p>“Should Have”</p>	<p>Any deviation from criteria which are listed as “Should Have” must be identified in this column. If no deviation is shown, it will be considered that the proposed Site meets or exceeds the requirement stated. The City may accept deviations to the “Should Have” criteria in the City’s sole discretion.</p>
<p><b>Site Preparation:</b></p> <p>The proposed Site should be cleared, grubbed, graded and prepared for development.</p>	
<p><b>Services:</b></p> <p>The proposed Site should be fully serviced.</p>	

5.2 The Respondent should also submit the following:

- Photographs of the proposed Site
- Survey of the proposed Site
- Title documents in the Respondent’s possession, including the Deed by which the Respondent acquired the proposed Site.

## 6.0 Qualification Criteria

6.1. All Respondents of interest must be the legal fee simple owner of their proposed Sites and have the ability and authority to transfer ownership to the City pursuant to the conditions set out in an Agreement of Purchase and Sale.

## 7.0 Submission Details

- 7.1. All proposals must be submitted through the City's bidding system website (bids.stjohns.ca).

Proponents shall create a bidding system Vendor Account and be registered as a Plan Taker for this bid opportunity. This will enable the proponent to download the bid opportunity, to receive addenda/addendum email notifications, download addenda/addendum, and to submit their proposal electronically through the City's bidding system.

Proponents are cautioned that the timing of the proposal submission is based on when the proposal is RECEIVED by the bidding system, NOT when a proposal is submitted by proponents, as bid transmission can be delayed in an "Internet Traffic Jam" for any number of reasons. As a result, the City recommends the proponent allow sufficient time to upload their proposals and attachments (if applicable).

It is the responsibility of the proponent to ensure that the submissions are delivered on time. The bidding system will send a confirmation email to the proponent if their proposal was submitted successfully. If you do not receive a confirmation email then presume that your submission has not been submitted.

To ensure receipt of the latest information and updates via email regarding this bid or if a proponent has obtained this document from a third party the onus is on the proponent to create a Bidding System vendor account and register as a Plan Taker for the bid opportunity.

Before submitting a proposal, proponents shall carefully examine these terms of reference and fully inform themselves of all aspects of the project.

- 7.2. Submissions will be received on or before:

**4:00:00 pm local time, Friday, January 22<sup>nd</sup>, 2016**

- 7.3. Faxed, e-mailed or hard copy submissions will not be accepted.
- 7.4. Submissions will be evaluated at the discretion of the City based upon the criteria contained in section 7.5 of this RFP.
- 7.5. The selection criteria listed below are for information of Respondents and will be used by the City as a guide in evaluating proposals. The level of importance of each criterion is indicated on the right by way of points out of 130. The City will be the sole decider of the points awarded in the evaluation of proposals. The City is using these Criteria as a guide only and may deviate from them in its sole discretion through the evaluation process.

Item	Criteria	Maximum points
1	<b>Quality and Completeness of Proposal</b>	10
	<u>Sub-Total</u>	<u>10</u>
2	<b>Demonstration of Site Compliance with Criteria</b>	
2.1	Zoning (must have)	20
2.2	Size (must have)	20
2.3	Location (must have)	20
2.4	Site Readiness (must have)	20
2.5	Access (must have)	20
2.6	Site Preparation (should have)	10
2.7	Services (should have)	10
	<u>Sub-Total</u>	<u>120</u>
	<u>TOTAL</u>	<u>130</u>

7.6. Respondents may be invited to make a presentation during the evaluation process.

7.7 The City, after having reviewed the submitted proposals, may identify multiple Respondents of interest to engage in further discussions with in determining the optimal Site.

7.8 Projected Project Schedule:

- Public Proposal Call: **Friday, January 8<sup>th</sup>, 2016**
- Deadline for Submissions: **4:00:00 pm on Friday, January 22<sup>nd</sup>, 2016**
- Recommendation: **Monday, February 1<sup>st</sup>, 2016**

## 8.0 Enquiries and Addenda

8.1. Clarification of terms and conditions of the RFP document and RFP process and all other inquiries shall be directed to:

John Hamilton  
Senior Buyer  
City of St. John's  
25 Blackler Ave  
St. John's, NL, A1E 3E8

Phone: (709) 576-6136  
E-Mail: [jhamilton@stjohns.ca](mailto:jhamilton@stjohns.ca)

\*\*Representation or communications from any other persons may not be relied upon.

- 8.2. The City, its agents, consultants, elected officials and employees shall not be responsible for any information given by way of oral or verbal communication.
- 8.3. The City will only respond to questions that are submitted in writing. Any questions that are received and answered that effect the RFP process and any interpretation of, additions to, deletions from, or any other corrections to the RFP document, may be issued as written addenda by the City.
- 8.4. The decision to issue or not issue an addendum is entirely at the sole discretion of the City. Each addendum will be incorporated into and become part of the RFP document. No amendment of any kind to the RFP is effective unless it is contained in a written addendum issued by the City.
- 8.5. Submissions which fail to conform to the Format Requirements or which fail to conform to any other requirement of this RFP may be rejected by the City. Notwithstanding the foregoing or any other provision of this RFP, the City may at its sole discretion elect to retain for consideration proposals which deviate either materially from the format requirements set out in hereto or which otherwise fail to conform to any other requirement of this RFP.
- 8.6. The City will determine the suitability of proposals and is not bound to accept all or any proposals.

## **9.0 Format Requirements**

- 9.1 Responses should consist of:

### **I. Title Page (1 page)**

- a. The title page should identify the RFP title identified on the cover page of this RFP document, respondent's name, address, telephone number, fax number, email address and contact person's name.
- b. Table of Contents/Index

### **II. Letter of Intent and Comprehension**

- Proposals must articulate suitability of proposed Site.
- full contact information for the submitting party (mailing address, telephone number, email address, and any other relevant contact information).
- a written description of the proposed Site;
- Indicate ability to work within the established timeline;

- III. Confirmation that the proposed Site meets all criteria set forth herein, or proposed plans for meeting the criteria, if the site does not currently comply;

#### **10.0 Inquiries**

- 10.1. The City, in its sole discretion and without having any duty or obligation to do so, may conduct any inquiries or investigations, including but not limited to contacting references, to verify the statements, documents, and information submitted in connection with the Proposal and may seek clarification from the Respondent's, its bankers and/or clients regarding any financial and experience issues.

#### **11.0 Intent to Enter Into an Agreement**

- 11.1. By submission of a response to this RFP, the Respondent agrees that, should it be identified as a Respondent of interest to the City, it is willing to enter into agreements, if required, as necessary to complete the transactions contemplated in the Respondent's submission in response to this RFP.

This procurement process is not intended to and will not create a formal legally binding bidding process or what is commonly known as Contract A. This RFP is not a tender and the Tendering Act does not apply.

- 11.2. Any agreement entered into with a Respondent of interest will be subject to the City's review, and acceptance, of title to the proposed Site.
- 11.3. The City reserves the right to pursue discussions/negotiations with multiple Respondents in determining the best proposed Site.

#### **12.0 Modification of Terms**

- 12.1. The City reserves the right to modify the terms of this RFP at any time at its sole discretion. This includes the right to cancel this RFP at any time without liability to any Respondent.

#### **13.0 Ownership of Submissions**

- 13.1. All documents submitted to the City, including responses to this RFP, and any drawings, plans and models (as applicable), become the property of the City and will not be returned to Respondents. They will be received and held in confidence by the City.

**14.0 Confidentiality, Freedom of Information and Protection of Privacy**

14.1. All submissions shall become the property of the City of St. John's. The City reserves the right to release information to the public about the Request for Proposals, the submissions received and any agreement(s) entered into. As the property of the City, the submissions will be considered government records, which are public documents and subject to *The Access to Information and Protection of Privacy Act, 2015*. However, any commercial information that could cause potential economic harm to a Respondent's business interests should be identified as such.

**15.0 No Claim for Compensation of Expenses for the Preparation of Submissions**

15.1. The City is not liable to pay such costs and expenses or to reimburse or compensate a Respondent under any circumstances.

15.2. As such, Respondents are advised they are responsible for bearing all costs of preparing and submitting a response to this RFP and any subsequent discussions with the City. Respondents shall have no claim for compensation in the preparation of their submissions and by submitting a response, each Respondent shall be deemed to have agreed that it has no claim.

**16.0 Governing Law**

16.1. The RFP and any ancillary agreements or transactions shall be governed by the laws of the Province of Newfoundland and Labrador.

**17.0 Insurance Requirements**

17.1 Commercial General Liability in the amount of \$2 million.  
The City to be shown as an additional insured.  
A 30 day notice of cancellation clause for Professional and Commercial General Liability.

## **18.0 Documents Required:**

18.1 The City requires the successful Respondent to provide the following documents, which must be submitted prior to a completion of a transaction. Failure to provide these Contract documents may result in the City considering the bid withdrawn. The City may waive some requirements or may request further documentation. This is not an exhaustive list.

These documents include:

1. Signed Purchase and Sale Agreement
2. Certificate of Good Standing from the Newfoundland and Labrador Registry of Companies (if applicable).
3. Certificate of Insurance
4. Worker's Health and Safety Certificate of Clearance (WHSCC)

## **19.0 Terms and Conditions**

19.1 The City of St. John's reserves the right to:

- a) accept or reject any or all proposals received in response to this RFP;
- b) cancel and/or re-issue this Request for Proposals at any time.

19.2 Proposals may not contain qualifications or conditions. All Proposals and supporting documents shall become the property of the City of St. John's.

19.3 The City of St. John's or any of its associated entities shall not be obligated in any way to the Respondent's response to this document. The Respondent's costs related to the preparation of a response to the document shall be entirely the responsibility of the Respondent. Expenses of any nature incurred by the Respondent prior to the signing of an agreement or contract shall be the sole responsibility of the Respondent and may not be charged to or claimed from the City of St. John's or its associated entities in any manner, shape or form.

19.4 The City is under no obligation to complete a sale or enter into an agreement pursuant to this RFP. The City reserves the right to reject any or all proposals and to accept the proposal deemed most favourable in the interests of the City. The City may, in its absolute discretion, accept or reject any and all proposals submitted.

19.5 All work completed under any contract resulting from this Request for Proposals shall become the sole property of the City of St. John's.

# RFP2016002 - Land for Future West End City Depot and Fire Station

Closing Date: Friday January 22, 2016 4:00:00 PM

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## Documents

### Ensure your bid submission document(s) conforms to the following:

1. Documents should be in PDF format and be compatible with Adobe version 5 or higher. Documents may also be submitted in Microsoft Word or Microsoft Excel format (version 2010 or 2013). Vendors should only submit these file types unless specifically requested to submit other file types that may be required for a specific proposal. If the City requires video or audio files do NOT upload video or audio files here. You may state a web address link in your bid submission or upload a document stating the web link for the City of St. John's staff to view and/or listen to.
  2. Documents should **NOT** have a security password, as the City of St. John's staff may not be able to open the file.
  3. The maximum file upload size is 500MB. To reduce the document size, Proponents may zip/compress files for upload. Also, if a vendor requires to upload more than one (1) document, the vendor may combine the documents into one zipped/compressed file, as per the instructions below. Zipped files must be named accordingly for the submission and must not be password protected.
  4. When uploading a file please ensure each document is named, in relation to the submission format item responding to, for example, if responding to the Previous Experience category save the document as "Previous Experience".
  5. It is the vendor's sole responsibility to ensure that their uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by the City of St. John's staff. The City of St. John's may reject any Bid where any document(s) cannot be opened and viewed by City staff.
- Vendor's Submission (required)
  - Survey of the proposed Site (required)
  - Title documents in the Respondent's possession, including the Deed by which the Respondent acquired the proposed Site (required)
  - Photographs of the proposed Site (required)
  - Additional Document (optional)

## Terms and Conditions



I/WE agree to be bound by the terms and conditions contained in the Bid Document and any applicable Addenda, and the person named below has the authority to submit this bid on behalf of the Bidder.

The bidder shall declare any potential conflict of interest that could arise from bidding on this bid. Is there any conflict of interest arising from your bid?

Yes  No

### Electronic Bid Submission

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Please check the box in the column "**I have reviewed this addendum**" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
There have not been any addenda issued for this bid.		

# DECISION/DIRECTION NOTE

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Title: Acquisition of Property in the Southwest Area for the Purposes of the Future Construction of a Public Works Satellite Depot and Fire Station

Date Prepared: January 28, 2016

Report To: His Worship the Mayor and Council

Councillor and Role: Mayor Dennis O'Keefe, Primary Spokesperson

Ward: Ward 5

Decision/Direction Required: Approve the acquisition of property identified in the submission of 10718 Nfld. Inc. in response to the RFP issued by the City. Further, that the property be expropriated as per the recommendation of the RFP review committee.

## Discussion – Background and Current Status:

In March of 2015, Council accepted the final report titled a *Review of Winter Maintenance Services* as prepared by KPMG (CD#S2015-03-02/2). One of the issues that KPMG addressed in the study was the future expansion of the urban footprint and its effect on the City's ability to deliver timely services, particularly snow clearing and ice control services, to a rapidly expanding city. In particular, the consultants noted that the largest area for expansion would be in the southwest where expansion of Southlands and the Galway development, with its 5,000 residential units plus a large commercial and industrial development, was being undertaken.

The report went on to state that the current Department of Public Works depot, located on Blackler Avenue, was approaching full capacity. As such, as the City continues to expand over the medium to long term, there is a requirement for a second public works depot. The satellite depot should be similar in functionality to the Blackler Avenue depot in terms of accommodating the needs of all of the City's service delivery groups in the field, incorporating an administration building, fleet facility and fueling facility and containing adequate space for protected salt and sand storage and some indoor vehicle storage. It should also provide space for trucked snow storage as needed.

In April of 2015, staff provided Council with its analysis and costing of implementing the recommendations contained in the report. With respect to the KPMG recommendation respecting the identification and acquisition of a suitable site for a satellite depot to be located in the southwest urban area, staff made the following recommendation:

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**“It is recommended that special consideration be given to moving this initiative forward in the near future. Given City growth that has already occurred as well as planned future growth, it is prudent to plan for at least one additional full-function Public Works depot. This would most likely be sited near Southlands/Galway/Goulds where proposed growth will be significant. It would be advisable to consider land acquisition now for this future depot** (emphasis added), for which KPMG estimates a land only cost of \$4.0 to \$5.0 million, with future development costs of \$42.0 to \$48.0 million in multiple phases.”

In determining the ideal location for the new satellite west end depot, staff identified the following criteria as a guideline:

- 1) The site should be located near the Southlands/Galway/Goulds urban footprint as this area has been identified as having significant residential, commercial and industrial growth potential over the medium to long term;
- 2) The site should provide the most efficient access to the Trans Canada Highway, Kenmount Road, Topsail Road, Pitts Memorial Drive, Southlands Boulevard, Robert E. Howlett Drive transportation corridors;
- 3) The site should have a developable area of approximately twenty acres (the Blackler Avenue depot site is approximately seventeen acres); and
- 4) The site should allow for the efficient placement of the required public works building as well as providing sufficient space for the eventual construction of a Galway Fire Station to provide fire protection to the area once the growth in the area warrants its construction.

At its Special Meeting of January 4, 2016, Council directed by way of CD# S2016-01-04/3 that “... a Request for Proposals (RFP) be developed to ascertain if there are land prospects available, other than those identified in the Galway area, to accommodate a future public works depot and fire station in the City's west end.” Staff prepared the RFP using evaluation criteria reflective of the above background information which was reviewed by Council. The RFP was issued on January 8, 2016 and closed on January 22, 2016. The City received five (5) submissions in response to the RFP and the evaluation team met on January 26, 2016 to conduct its review. The results of that review and recommended course of action are contained in the attached report.

Key Considerations/Implications:

1. Budget/Financial Implications

Should Council accept the recommendation, the cost per acre will be set by negotiations between the two parties or, in the alternative, by the Public Utilities Board. The respective positions prior to the issuance of the RFP were that the City was prepared to offer \$400,000 per acre for a total cost of \$8,000,000 while 10718 Nfld. Inc. was prepared to accept \$425,000 per acre for a total cost of \$8,500,000, for a difference of \$25,000 per acre or \$500,000.

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2. Partners or Other Stakeholders

The City of St. John's and 10718 Nfld. Inc.

3. Alignment with Strategic Directions/Adopted Plans

Aligns with the **Neighbourhoods Build our City, A City for All Seasons**, being **Fiscally Responsible**, being **Responsive and Progressive**, and being an **Effective Organization** strategic directions in the Corporate Strategic Plan. Aligns with the Review of *Winter Maintenance Services* report as prepared by KPMG on implementing efficiencies in our snow clearing and ice control operations.

4. Legal or Policy Implications

The authority to purchase the land derives from Council's legal powers under s.90(1) of *The City of St. John's Act* which states that "The Council shall have the power to acquire lands by purchase or gift, and to hold lands for use of the city...".

5. Engagement and Communications Considerations

There must be a clear statement provide to the general public as to the long term strategic rationale for the purchase of the land should it proceed.

6. Human Resource Implications

N/A

7. Procurement Implications

The procurement process clearly falls within Council permissible powers under s.(90)1 of *The City of St. John's Act*.

8. Information Technology Implications

N/A

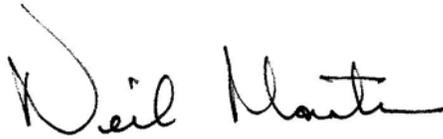
9. Other Implications

N/A



Recommendation: That Council approve the acquisition of property identified in the submission of 10718 Nfld. Inc. in response to the RFP issued by the City. Further, that the property be expropriated as per the recommendation of the RFP review committee.

Approved by/Date/Signature: **2016-01-28**



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**Neil A. Martin, City Manager**

Attachments: Report and Recommendation of the RFP Evaluation Team

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