



# Staff Report

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## Operations – Engineering and Capital Projects

**Report To:** COW - Operations, Planning and Building Services  
**Meeting Date:** June 10, 2025  
**Report Number:** OPS.25.021  
**Title:** Engineering Support Services Project Limit Increase  
**Prepared by:** Emily Yeo, Senior Infrastructure Capital Project Coordinator

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### A. Recommendations

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THAT Council receive Staff Report OPS.25.021, entitled “Engineering Support Services Project Limit Increase”;

AND THAT Council increases the Standing Offer Assignment project limit for using the Town of The Blue Mountains’ Engineering Support Services Standing Offer Assignment from \$25,000 to \$100,000.

### B. Overview

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This report recommends increasing the procurement limit under the Town of The Blue Mountains’ (the Town) Engineering Support Services Standing Offer Assignment (SOA) from \$25,000 to \$100,000. The proposed adjustment reflects rising costs in engineering consulting services, improves the Town’s ability to efficiently retain professional services for small- to mid-scale assignments, and aligns procurement practices adopted by comparable municipalities. The change will enhance operational flexibility and reduce delays in assignment initiation while maintaining compliance with the Town’s purchasing policies.

### C. Background

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The Town has recently completed its evaluation and selection process for the 2025 Engineering Support Services Request for Standing Offer (RFSO) Assignment, resulting in the Town entering into agreements with qualified engineering firms through a robust and competitive qualifications-based procurement process. Since 2009, the Town has consistently utilized this RFSO approach to retain professional engineering services across various disciplines.

This pre-established, multi-disciplinary Engineering Support Services SOA approach supports timely service delivery and reduces procurement lead times. This framework enables pre-qualified consulting firms to be engaged for scoped assignments under a defined financial

threshold, thereby minimizing the need for full competitive procurement processes for smaller-scale or time-sensitive projects.

Firms retained through the RFSO are contracted for an initial two-year term, with the option to extend for two additional two-year periods. A minimum of two firms have been selected for each of the following service categories:

1. Transportation Planning & Traffic Engineering
2. Electrical & Mechanical Engineering
3. Water & Wastewater Resources Engineering
4. Geotechnical Engineering
5. Structural Engineering
6. Environmental Site Assessment, Archaeological & Heritage Assessments
7. Professional Land Survey, Geomatics & Utility Locates (incl. OLS)
8. Environmental Engineering
9. Engineering Standards Review & Update.

Assignments may include peer reviews, investigation reports, servicing assessments, and technical memoranda or small Engineering Design Assignments in support of Operations, Facilities, Planning applications, and emergency response needs.

The RFSO was designed to:

- Expedite project timelines by eliminating lengthy procurement steps,
- Get competitive prices for small assignments,
- Reduce administrative burden and internal costs,
- Ensure technical scope matching through pre-qualified expertise,
- Maintain compliance with the Town's Purchasing of Goods and Services Policy.

The current per-assignment procurement cap of \$25,000 has not been adjusted since 2016, despite significant increases in engineering and construction costs following inflation and market impacts from the COVID-19 pandemic. Many routine assignments now exceed the existing cap, triggering additional procurement steps and delaying service delivery.

## D. Analysis

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### History

The Town has been procuring Engineering Services through a structured and competitive RFSO process since 2009. Over the years, the Town has periodically increased the procurement limit associated with its Engineering Support Services SOA to reflect industry trends and the rising cost of engineering and construction services. These incremental adjustments have been a standard practice to ensure that the SOA remains practical and responsive to market conditions. The last increase to the assignment limit was made in 2016, raising the threshold from \$15,000 to \$25,000. Since then, the limit has remained unchanged, despite escalating consultant rates and inflationary pressures. The table below outlines the historical progression of the Town's SOA limits:

Year	Procurement Limit	Comments
2009	\$10,000	Issued as a Request for Proposal (RFP), resulted in 3 firms being retained.
2013	\$15,000	Issued as an RFP, resulted in 3 firms being retained.
2016	\$25,000	Issued as an RFP, resulted in 4 firms being retained. The original contract was \$15,000 which was later revised to \$25,000 due to a change in purchasing policy.
2021	\$25,000	Adaption of RFSO Process – Resulted in 20 firms being retained in the SOA. With the inclusion of a provision to extend the contract for two additional 1-year terms.

Note: The current \$25,000 limit has not been adjusted in nearly a decade, despite significant cost escalation in engineering and construction services during that time.

### Current Trends

Since the last adjustment to the procurement threshold in 2016, the consulting industry has experienced steady increases in hourly billing rates and baseline fees for engineering services. These cost escalations, compounded by inflation and the market impacts of the COVID-19 pandemic, have resulted in many routine engineering assignments now exceeding the \$25,000 limit. Tasks such as preliminary servicing memos for development review, OSIM Inspections, peer reviews, and localized drainage studies often surpass this threshold, triggering the need for a formal procurement process that increases administrative burden and delays project timelines.

## **Recommendation**

To support timely delivery of infrastructure, planning, and operational initiatives, it is recommended that the Town increase the procurement limit for assignments under the Engineering Support Services SOA from \$25,000 to \$100,000. This adjustment will provide greater flexibility for engaging pre-qualified engineering consultants on small to mid-sized assignments that are now routinely exceeding the existing cap due to market escalation. Under the proposed framework, assignments valued at \$25,000 or less would continue to be eligible for direct award to any pre-qualified firm. For assignments ranging from \$25,001 to \$100,000, a secondary competitive process would be undertaken to request a minimum of three written quotations from firms on the Standing Offer list. Assignments above \$100,000 would remain subject to the Town's formal open procurement process.

This revised approach maintains alignment with the Town's Purchasing of Goods and Services Policy while enhancing responsiveness, reducing procurement delays, and streamlining internal workflows. Failure to adopt this increase may result in inefficiencies, delayed project timelines, and missed opportunities to retain specialized engineering support when needed.

## **E. Strategic Priorities**

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### **1. Communication and Engagement**

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

### **2. Organizational Excellence**

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

### **3. Community**

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

### **4. Quality of Life**

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

## **F. Environmental Impacts**

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At this time there are no environmental impacts known or anticipated with the proposed increase in project cost limit for use of the Town's Engineering Support Services RFSO, as outlined in this report.

## **G. Financial Impacts**

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At this time there are no financial impacts known or anticipated with the proposed increase in project cost limit for use of the Town's Engineering Support Services RFSO, as outlined in this report.

## **H. In Consultation With**

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Serena Wilgress, Manager of Purchasing & Risk Management

Michael Switzer, Deputy Treasurer / Manager of Budgets & Accounting

Monica Quinlan, Director of Corporate & Financial Services.

## **I. Public Engagement**

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The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Emily Yeo, Senior Infrastructure Capital Project Coordinator, [icpc@thebluemountains.ca](mailto:icpc@thebluemountains.ca).

## **J. Attached**

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N/A

Respectfully submitted,

Emily Yeo  
Senior Infrastructure Capital Project Coordinator

Pruthvi Desai  
Manager of Capital Projects

Alan Pacheco  
Director of Operations

For more information, please contact:  
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### **Report Approval Details**

Document Title:	OPS.25.021 Engineering Support Services Budget Limit Increase.docx
Attachments:	
Final Approval Date:	May 20, 2025

This report and all of its attachments were approved and signed as outlined below:

**Pruthvi Desai - May 20, 2025 - 1:19 PM**

**Alan Pacheco - May 20, 2025 - 1:38 PM**