

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF APRIL 19, 2016

Item 9, Report No. 5, of the Finance, Administration and Audit Committee, which was adopted, as amended, by the Council of the City of Vaughan on April 19, 2016, as follows:

***By receiving Communication C2 from the Director, Environmental Services & Chief Financial Officer and City Treasurer, dated April 14, 2016.***

#### **9            AWARD OF RFP16-124: CONSULTANT TO CONDUCT AN ORGANIZATIONAL ASSESSMENT AND DEVELOP A MODERNIZATION AND TRANSFORMATION ROADMAP FOR PROCUREMENT**

The Finance, Administration and Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Chief Financial Officer & City Treasurer, Director of Procurement Services, and Director of Financial Services & Deputy City Treasurer, dated April 4, 2016, be approved; and
- 2) That the following be approved in accordance with Communication C2 from the Chief Financial Officer and City Treasurer, dated April 1, 2016:
  1. That RFP16-124 to conduct an organizational assessment and develop a modernization and transformation roadmap for the City of Vaughan procurement function be awarded to the Carly Rian Group, Toronto Ontario, in the amount of \$130,000.00, plus applicable taxes;
  2. That a 15% contingency allowance in the amount of \$ 19,500.00 plus applicable taxes be approved within which the CFO and City Treasurer or her designate is authorized to approve amendments to the contract, if any; and
  3. That the Mayor and City Clerk be authorized to sign the appropriate documents.

#### **Recommendation**

The Chief Financial Officer & City Treasurer, Director of Procurement Services, and Director of Financial Services & Deputy City Treasurer, in consultation with Director of Financial Planning and Development Finance & Deputy City Treasurer recommend:

1. That RFP16-124 to conduct an organizational assessment and develop a modernization and transformation roadmap for the City of Vaughan procurement function be awarded to the proponent with the highest score on the evaluation criteria.
2. That staff provide a Communication outlining the results of the proposal evaluation and an award recommendation for Committee approval.

#### **Contribution to Sustainability**

An organizational assessment and modernization transformation roadmap for the City of Vaughan procurement function will improve the way we acquire goods, services and construction, help ensure value-for-money and contribute to the City's long-term financial sustainability.

The assessment and modernization is grounded in the guiding principles of sustainability by assessing strategies, resources, and technology to facilitate innovation and continuous improvement.

## CITY OF VAUGHAN

### EXTRACT FROM COUNCIL MEETING MINUTES OF APRIL 19, 2016

#### Item 9, Finance Report No. 5 – Page 2

The organizational assessment and modernization and transformation roadmap for the procurement function contributes to the Service Excellence Strategic Initiatives. Procurement modernization supports improving the City of Vaughan's operational performance to deliver of the Term of Council Priorities, while meeting Council's tax rate increase target of no greater than three per cent each year.

#### **Economic Impact**

Funding for RFP16-124 can be accommodated within the approved Capital Budget PU2524-15E.

#### **Communications Plan**

An internal and external communications plan will include key components of the overall procurement modernization project. Tactics to be employed will leverage internal on-line tools, the City's website and Procurement Services portals, and staff announcements.

Procurement modernization will also be supported by change management tools such as formal training and education sessions for departments and other stakeholders.

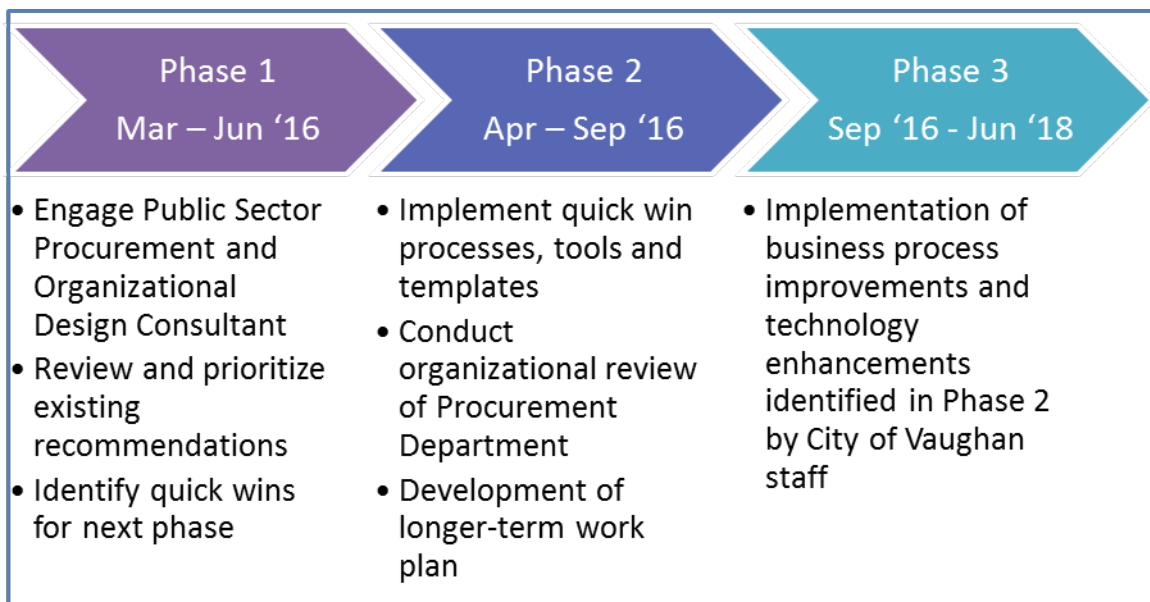
#### **Purpose**

***The purpose of this report is to request approval to award RFP16-124 to the proponent with the highest score on the evaluation criteria.***

#### **Background - Analysis and Options**

Achieving the Service Excellence Strategy Map will require a culture shift at the City of Vaughan. It will change the way the city makes decisions and operates. This includes how the City plans for and procures the goods, services and construction needs to deliver on its objectives. The City's corporate organizational structure was reviewed to better define roles and responsibilities to ensure the organization is positioned to deliver on Council priorities. The Procurement department's organizational structure also requires a review to ensure that it is appropriately aligned and has the capacity to help ensure delivery of the City's Term of Council Priorities and Service Excellence Strategic Initiatives.

The overall timeframe for this work is as follows:



## **CITY OF VAUGHAN**

### **EXTRACT FROM COUNCIL MEETING MINUTES OF APRIL 19, 2016**

#### **Item 9, Finance Report No. 5 – Page 3**

Staff prepared and released a Request for Proposal (RFP) to retain a consultant to undertake the following scope of work:

- Assist in the documentation of Procurement Services' objectives and critical success factors on a department-level strategy map;
- Assist in the development of department-level key performance indicators to measure the achievement of the Department's objectives, especially the efficiency and effectiveness of procurement services provided to City departments and the vendor community;
- Identify the City's policy, process and capacity gaps, relative to public sector procurement best practices, leveraging two recently completed reviews;
- Identify and facilitate the implementation of up to four "quick wins" using a recognized business process improvement methodology such as LEAN;
- Conduct an assessment of whether the Procurement Services department's organizational structure and staff skills and competencies are appropriate and aligned to support the implementation plan and the City's Service Excellence journey;
- Propose a future state organizational structure and high-level job descriptions for all positions; and
- Assist in the development of a pragmatic long-term (e.g. 3 – 5 years) implementation plan to achieve the critical success factors identified on the department-level strategy map.

The RFP was released on March 7, 2016 with the Closing date of March 24, 2016. A two envelop evaluation process was undertaken by a team of five evaluation committee members. In order to adhere to the overall timelines outlined above, staff are recommending that award of the RFP be completed in April 2016 so that the consultant's work can begin immediately thereafter.

All proposals will be evaluated on the following criteria as outlined in the RFP document:

#### **Technical Proposal (60 Points) [Envelope 1]**

##### **Qualifications and Experience (20 Points)**

- Experience and credentials of the firm
- Resumes including experience and qualifications of personnel assigned to the project
- Familiarity with business processes for municipal program delivery relevant to the acquisition of and payment for goods, services and construction
- Experience with project management methodologies and business and strategic planning for large public sector organizations
- Experience in organizational assessment
- Qualification References, with regard to the similar services required by the City

##### **Submission (20 Points)**

- Responsiveness to the RFP, completeness/comprehensiveness of submission
- Demonstrated full understanding of the project objectives and the services to be provided
- Demonstrated willingness to comply with terms and conditions of the RFP

##### **Project Deliverables (20 Points)**

- Specific deliverables proposed in terms of meeting the requirements outlined in the Terms of Reference section of this RFP

## **CITY OF VAUGHAN**

### **EXTRACT FROM COUNCIL MEETING MINUTES OF APRIL 19, 2016**

#### **Item 9, Finance Report No. 5 – Page 4**

- Ability to provide the appropriate project management and deliver the identified project initiatives efficiently and effectively
- Quality of the proposal in terms of methodology and approach to the project, project scheduling and proposed deliverables
- Proponent's plan to have resources available to meet the project's scheduling requirements

Proponents must score 75% (45 points) to qualify for Interview stage.

#### **Interview (10 Points)**

Clarity of presentation as it pertains to the following:

- Understanding of the assignment requirements; and
- Ability to respond to questions in a clear and concise manner.

Proponents must score 75% (7.5 points) during Interview stage to qualify for the next stage, opening of the Financial Proposal.

#### **Financial Proposal (30 Points) [Envelope 2]**

- Total, all-inclusive upset cost to the City for the complete project, including all mileage costs and any other fees that may be applicable.

#### **Relationship to Term of Council Service Excellence Strategy Map (2014-2018)**

The organizational assessment and modernization and transformation roadmap for the procurement function contributes to the Service Excellence Strategic Initiatives. Procurement modernization supports improving the City of Vaughan's operational performance to deliver of the Term of Council Priorities, while meeting Council's tax rate increase target of no greater than three per cent each year.

#### **Regional Implications**

N/A

#### **Conclusion**

The City has issued an RFP for assistance from a qualified consultant to conduct an organizational assessment and develop a modernization and transformation roadmap for Procurement Services. In order to adhere to the overall timelines outlined above, staff are recommending that award of the RFP to the proponent with the highest score on the evaluation criteria be completed in April 2016 so that the consultant's work can begin immediately thereafter.

#### **Attachments**

N/A

#### **Report prepared by:**

Asad Chughtai