



memorandum

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Item # 9
Report # 9

DATE: March 12, 2013

TO: Mayor and Members of Council

COUNCIL – March 19, 2013

RE: **COUNCIL MEETING – MARCH 19, 2013
SELECTION OF PROFESSIONAL CONSULTANT SERVICES
FOR ASSET MANAGEMENT STRATEGY (PHASE 1) IN THE CITY OF VAUGHAN
RFP13-001**

Recommendation

The Commissioner of Engineering and Public Works in consultation with the Director of Purchasing Services and the Director of Budgeting and Financial Planning recommends:

1. That GHD Inc. be retained to provide professional consultant services for Asset Management Strategy (Phase 1) in the City of Vaughan (RFP13-001) in the amount of \$411,255.16, plus applicable taxes and administration recovery;
2. That a contingency allowance in the amount of \$45,000.00, plus applicable taxes and administration recovery be approved within which the Commissioner of Engineering and Public Works or his designate is authorized to approve amendments to the contract;
3. That the amounts of the above recommendations, illustrated within this report, be funded by Capital Budget Project No. EN-1958-13, including all contingency allowances, applicable taxes and administration recovery; and
4. That the Mayor and City Clerk be authorized to sign the appropriate documents.

Contribution to Sustainability

An integral part of a sustainable city is effective asset management, assuring the management of the City's assets maximize the return on the capital and operating investments, and continue to provide optimal service to its residents. Phase 1 of the City's corporate asset management initiative is to develop a strategy to build the processes, tools and resources required.

Economic Impact

The total project cost of \$480,000.00 falls within the approved budget amount and as such, there is no additional economic impact to the 2013 Capital Budget Project No. EN-1958-13.

Communications Plan

Not applicable at this time.

Purpose

To obtain approval to retain GHD Inc. for Asset Management Strategy (Phase 1) in the City of Vaughan, as detailed in the Terms of Reference for RFP13-001.

Background - Analysis and Options

Proposals were evaluated and staff recommends that the City of Vaughan Corporate Asset Management Strategy (Phase 1) be awarded to GHD Inc.

Proposals were solicited from qualified consultants to assist in the preparation of a comprehensive corporate asset management strategy. Award of this project will be recommended to the highest ranked proponent.

The Request for Proposal was advertised on Bidding and OPBA website on January 14, 2013 and CityPage on January 17, 2013, with a closing date of February 8, 2013. Two (2) Addenda have been issued to clarify Proponent's questions and extend the closing date to February 11, 2013. The RFP document was picked up by thirty-two (32) firms, and Proposals were received from the following five (5) Proponents:

1. GHD Inc.
2. KPMG
3. Optimus SBR Inc.
4. Prior & Prior Associates Ltd.
5. Urban & Environmental Management Inc.

A meeting was held on February 20, 2013 with the Evaluation Committee, comprising of representatives from Engineering Services, Public Works, Parks and Forestry Operations, Information and Technology Management, Budgeting & Financial Planning and Purchasing Services, to review and evaluate the submitted proposals.

The proposals were evaluated using the following criteria:

Item	Criteria	Points
1	Qualifications and Experience	30
2	Quality of the Proposal	15
3	Project Management	25
4	Financial	30
	Sub-Total	100
5	Short-List Discussions/Interviews/Presentations	25
	GRAND TOTAL	125

Three (3) highest scoring proposals were short-listed for Discussions/Interviews/Presentations. The Discussions/Interviews/Presentations served as the mechanism for further evaluation of the proposals of short-listed Proponents at an in-depth and more detailed level in order to establish the finalist for Preferred Proponent status. The Discussions/Interviews/Presentations of the evaluation process was conducted on February 28 and March 1, 2013.

The proposal from GHD Inc. reflected the best balance of a project team demonstrating a high degree of qualifications and expertise with a high level of experience undertaking similar studies with other municipalities/organizations. The GHD Inc. proposal outlined a comprehensive approach to developing a targeted corporate strategy reflecting Vaughan's current practices and future needs with all of Vaughan's stakeholders. Finally, the GHD Inc. proposal reflected the most appropriate allocation of the necessary

resources to the various phases or study tasks to ensure the completion of this undertaking within the City's aggressive timelines.

Based on the evaluation of the proposals, it is recommended that the proposal submitted from GHD Inc. be accepted and that an Agreement be executed.

The total estimated cost for the corporate asset management strategy – phase 1, including all applicable taxes is \$480,000.00, and is calculated as follows:

GHD Inc. fee (excl. H.S.T.)	\$411,255.16
Contingency Amount (approx. \pm 10%)	\$ 45,000.00
Sub-Total	\$456,255.16
Non- recoverable H.S.T. (1.76%)	\$ 8,030.10
Total	\$464,285.26
Administration Recovery (3%)	\$ 13,928.56
Net Total Cost	\$478,219.82

ROUNDED \$480,000.00

PROJECT FUNDING POSITION SUMMARY	
CAPITAL PROJECT	EN-1958-13
Approved Budget	\$500,000.00
Less: Total Assignment Cost	\$480,000.00
Balance Remaining	\$ 20,000.00

A total contingency amount of \$45,000.00 (approximately 10% of the bid price) is requested to address any unforeseen work in completing the scope of this project. Upon the completion of the project, any residual funds will be transferred back to the original funding source to be utilized for the future phases of the corporate asset management initiative.

Relationship to Vaughan Vision 2020/Strategic Plan

In consideration of the strategic priorities related to Vaughan Vision 2020, the recommendations of this report will assist in maintaining assets and infrastructure; priorities previously set by Council. The overall asset management process will take into account the City's objectives and strategic initiatives, such as Vaughan Vision 2020, Green Directions Vaughan and Vaughan's Financial Master Plan, determines how these rely on infrastructure and develop a plan to provide the supporting infrastructure services, at the lowest lifecycle cost.

Regional Implications

Not Applicable.

Conclusion

Staff recommends that the Asset Management Strategy (Phase 1) in the City of Vaughan assignment be awarded to GHD Inc., in the amount of \$411,255.16, plus applicable taxes and administration recovery.

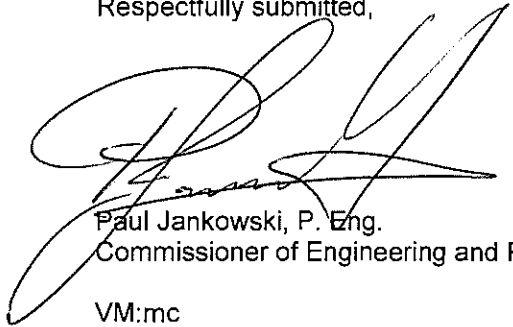
Attachments

Not Applicable.

Report prepared by:

Vince Musacchio, P. Eng., PMP, Manager of Capital Planning and Infrastructure, ext. 8311 27

Respectfully submitted,

A large, stylized handwritten signature in black ink, appearing to read 'Paul Jankowski'.

Paul Jankowski, P. Eng.
Commissioner of Engineering and Public Works

VM:mc

A handwritten signature in black ink, appearing to read 'J. Graziosi'.

Jack Graziosi, P. Eng.
Director of Engineering Services