Agenda – Executive Policy Committee – May 12, 2010

Moved by Councillor

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than 96 hours preceding the committee meeting, be considered by Committee.

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – May 11, 2010

Item No. 2 Award of Contract - Provision of Handi-Transit Services
eFile GL-9

STANDING COMMITTEE RECOMMENDATION:

On May 11, 2010, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That a multi-year contract for the Provision of Handi-Transit Services be awarded to Urban Transit Ltd. based on the unit prices submitted by the Bidder providing the proposal considered to be most advantageous to the City of Winnipeg, in the corrected amount of $8,665,737.60, GST extra, for the period of December 15, 2010 to December 14, 2017.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – May 11, 2010

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On May 11, 2010, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

ISSUE: **Award of Contract for Provision of Handi-Transit Services – RFP No. 771-2009**

CRITICAL PATH: **SPC on Infrastructure Renewal and Public Works – Executive Policy Committee - Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
C. Caldwell	D. Wardrop	M Ruta	G Laubenstein

RECOMMENDATIONS

1. That a multi-year contract for the Provision of Handi-Transit Services be awarded to Urban Transit Ltd. based on the unit prices submitted by the Bidder providing the proposal considered to be most advantageous to the City of Winnipeg, in the corrected amount of $8,665,737.60, GST extra, for the period of December 15, 2010 to December 14, 2017.

IMPLICATIONS OF THE RECOMMENDATIONS

The delivery of Handi-Transit service is 100% contracted out to the private sector.

Funds for this work are included every year in the Annual Current Budget from the Handi-Transit Non-Professional Services Account Distribution No. 442 521020 421701 302.

As the term of the contract exceeds five years and the contract creates an absolute commitment for funds not yet approved by Council, Council must approve the award of contract.

The work contained in RFP 771-2009 constitutes approximately 15% of the Handi-Transit service delivery, replacement of contracts awarded for work commencing December 15, 2003 and February 1, 2006.

The vehicles to be used in this contract are a light to medium duty low floor, right passenger side-entry, wheelchair accessible minibus, that is 26 feet in length with a 191 inch wheelbase meeting or exceeding the CAN/CSA-D409-02 (Reaffirmed 2007) Standards, fully crash tested to meet Canadian Motor Vehicles Safety Standards (CMVSS) with a passenger capacity of four passengers in wheelchairs and eight seated passengers.

This Contract needs to be awarded to ensure sufficient time for the Contractor to purchase the vehicles and be operational on December 15, 2010.

HISTORY

In 1977, Handi-Transit began as a demonstration service to provide service for those persons who were physically unable to use regular transit. Winnipeg Transit provided service using regular bus operators and City owned vehicles.

By 1988, the demand for Handi-Transit service had increased well beyond the funding available to accommodate the demand. As a result, the Transit department began to contract out the increasing demand for service to private contractors in the taxi business on a brokerage basis, i.e., all requests for service would come to Handi-Transit who would prioritize them and schedule them on existing resources to the extent possible, including vehicles provided by private contractors.

By 1996, private contractors delivered 70% of the total service. In June 1997, the remaining 30% of the service delivery was contracted out to private sector contractors on a brokerage basis.

RFP 771-2009 allowed Bidders to respond with proposals "as a whole" for five 16-hour "runs" Monday to Friday (a "run" is one vehicle scheduled and available for, or performing the Work for one day), three 12-hour runs on Saturdays and two 12-hour runs on Sundays and Statutory Holidays (except Easter Monday) for an approximate quantity of 23,920 vehicle hours of work each year.

Evaluation of Proposals:

Bids were evaluated based on the following evaluation criteria as defined in B18 of the RFP:

(a) compliance by the Bidder with the requirements of the Request for Proposal or acceptable deviation therefrom:
    (i) mandatory requirements (pass/fail);
(b) qualifications of the Bidder and the Subcontractors, if any, pursuant to B12:
    (i) Mandatory qualifications (pass/fail);
    (ii) Industry experience of key personnel…….....(15%);
    (iii) Business Plan..……..……(10%);
    (iv) References..…….…....(10%);
    (v) Net Present Value of the Total Bid Price..……..….....(65%);
(c) economic analysis of any approved alternative pursuant to B8.

Winnipeg Transit is satisfied that Urban Transit Ltd. has the necessary resources to perform all the work in accordance with the requirements of the specifications. The Bidder recommended for award of contract has satisfactorily carried out previous work of a similar nature, has submitted a responsive proposal, and is currently performing contracted work for Handi-Transit.

The requirements for Bid Security and the execution of a formal contract were waived for this purchase in accordance with the authority delegated to the Manager of Materials pursuant to Administrative Directive FM-002.

The Bids are valid and open for acceptance until May 21, 2010.

FINANCIAL IMPACT

Financial Impact Statement — Date: March 3, 2010

Project Name: — **First Year of Program** 2010

Award of Contract for Provision of Handi-Transit Services

	2010	2011	2012	2013	2014
Capital					
Capital Expenditures Required					
Less: Existing Budgeted Costs					
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Enter Description Here					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 53,472	$ 1,149,497	$ 1,178,234	$ 1,207,689	$ 1,237,862
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ 53,472	$ 1,149,497	$ 1,178,234	$ 1,207,689	$ 1,237,862
Less: Existing Budget Amounts	53,472	1,149,497	1,178,234	1,207,689	1,237,862
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

The recommendation contained herein will provide replacement of approximately 15% of all hourly service, provided by contracts that will expire December 14, 2010 and January 31, 2011. The existing budget amounts for 2011 and 2012 are adminstrative only and have not been adopted by Council. The budget amounts for 2013 and 2014 assume that similar amounts will be budgeted for in those years. Funding is included in account distribution 442-521020-421701-302.

Original signed by Carrie Erickson
Acting Manager of Finance & Administration

CONSULTATION

In preparing this Report there was consultation with:

Legal Services Division (as to legal issues), Corporate Support Services
Materials Management Division, Corporate Finance

SUBMITTED BY

Transit Department
Client Services Division
Prepared by: Catherine Caldwell
Date: March 3, 2010
File No.