Agenda – Council – March 23, 2011

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – March 8 adjourned to March 15, 2011

Item No. 1 Award of Contract for Provision of Handi-Transit Services

STANDING COMMITTEE RECOMMENDATION:

On March 16, 2011, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submits the following to Council:

1. That the Proposals submitted for RFP 840-2010 by Unicity Taxi Ltd. and Star Taxi (1989) be determined to be non-responsive.

2. That a multi-year contract for the Provision of Handi-Transit Services for the period of September 15, 2011 to December 14, 2018 be awarded to AB Transit Inc., the bidder who submitted the most advantageous offer in the amount of $7,556,640.00 plus GST and MRST.

3. 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 – March 8 adjourned to March 15, 2011

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 16, 2011, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On March 15, 2011, 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

Title: **Award of Contract for Provision of Handi-Transit Services, RFP 840-2010**

Critical Path: **Standing Policy Committee on Infrastructure Renewal and Public Works – Executive Policy Committee - Council**

AUTHORIZATION

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

RECOMMENDATIONS

1. That the Proposals submitted for RFP 840-2010 by Unicity Taxi Ltd. and Star Taxi (1989) be determined to be non-responsive.

2. That a multi-year contract for the Provision of Handi-Transit Services for the period of September 15, 2011 to December 14, 2018 be awarded to AB Transit Inc., the bidder who submitted the most advantageous offer in the amount of $7,556,640.00 plus GST and MRST.

REASON FOR THE REPORT

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.

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.

The work contained in RFP 840-2010 constitutes approximately 15% of the Handi-Transit service delivery, replacement of some of the contracts awarded for work commencing July 1, 2006.
The remaining Handi-Transit service (vans and cars) requiring replacement of contracts awarded for work commencing July 1, 2006, is contained in separate bids.

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 purchase the vehicles and be operational on September 15, 2011.

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 840-2010 allowed Bidders to respond with proposals “as a whole” for an approximate quantity of 21,840 vehicle hours of work each year:

- three 16-hour “runs” on Monday (a “run” is one vehicle scheduled and available for, or performing the Work for one day),
- three 16-hour runs and two 12-hour runs on Tuesday, Wednesday, Thursday,
- two 16-hour runs and one 12-hour run on Friday,
- four 16-hour runs on Saturday, and
- four 12-hour runs on Sundays and Statutory Holidays (except Easter Monday).

<u>Evaluation of Proposals</u>:

Bids were evaluated based on the following evaluation criteria as defined in B21 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 B13:
    (i) mandatory qualifications (pass/fail);
(c) Business Plan……..…….....(25%);
(d) References…….……...…….(10%);
(e) Total Bid Price……..…….(65%);
(f) Economic analysis of any approved alternative pursuant to B8.

The proposal from Unicity Taxi Ltd., if it were the most advantageous offer, should be determined to be non-responsive because the proposal identified vans as the vehicle that would be used to perform the Work, not minibuses, as required by the Specifications. This is a significant deviation that should not be waived.

The proposal from Star Taxi (1989), if it were the most advantageous offer, should be determined to be non-responsive because the proposal identified a start date in the Implementation Plan three months later than the start date required by the Specifications. This is a significant deviation that should not be waived.

Winnipeg Transit is satisfied that AB Transit 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 were waived for this purchase in accordance with the authority delegated to the Manager of Materials pursuant to Administrative Standard FM-002.

The Bids are valid and open for acceptance until April 15, 2011.

FINANCIAL IMPACT

Financial Impact Statement

Date: January 31, 2011

Project Name:

Award of Contract for Provision of Handi-Transit Services

First Year of Program **2011**

	2011	2012	2013	2014	2015
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	$ 253,477	$ 867,153	$ 1,070,160	$ 1,070,160	$ 1,070,160
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 253,477	$ 867,153	$ 1,070,160	$ 1,070,160	$ 1,070,160
Less: Existing Budget Amounts	253,477	867,153	$ 1,070,160	$ 1,070,160	$ 1,070,160
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

The recommendation contained herein will provide replacement of approximately 15% of all hourly service, provided by some of the contracts that will expire June 30, 2011. The existing budget amounts for 2011 and 2012 are administrative only and have not been adopted by Council. The budget amounts for 2013, 2014 and 2015 assume that similar amounts will be budgeted for in those years. Funding is included in account distribution 442-521020-421701-302.

original signed by Tanis Yanchishyn, CA
Manager of Finance and Administration

CONSULTATION

In preparing this report there was consultation with:

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

SUBMITTED BY

Transit Department
Client Services Division
Prepared by: Catherine Caldwell
Date: March 1, 2011
File No.