Minutes – Executive Policy Committee – July 9, 2019

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – June 25, 2019

Item No. 2 Award of Contract for the Provision of Transportation Services for Winnipeg Transit Plus – RFP 108-2019

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the following to Council:

1. That the City award, enter into, execute and deliver a Contract for Provision of Accessible Transportation Services for Winnipeg Transit Plus, for the period of seven years from start date of Contract (anticipated to be October 1 2019, meaning expected contract duration is October 1 2019 to September 30, 2026, but may be adjusted pursuant to D2.2 of RFP 108 2019 if the start date of the Contract is delayed through no fault of the Contractor) with Mani-Handi Transit Ltd., the Proponent who submitted the lowest responsive bid in the approximate amount of $3,390,743.00 plus GST and MRST as applicable, and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Contract for Provision of Accessible Transportation Services for Winnipeg Transit Plus and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

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 – June 25, 2019

DECISION MAKING HISTORY:

Moved by Councillor Allard,

That the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On June 25, 2019, 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 the Provision of Transportation Services for Winnipeg Transit Plus, RFP 108-2019

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

AUTHORIZATION

Author	Department Head	CFO	CAO
J. Fernandes	G. Ewankiw	P. Olafson, Interim CFO	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

Private contractors deliver service for Winnipeg Transit Plus (Handi-Transit) and contracts are awarded through the City of Winnipeg's Request for Proposal (RFP) process. The highest rated qualified Proponent submitting the most advantageous bid on RFP 108-2019 was Mani-Handi Transit Ltd. with an evaluated bid price of $3,390,743.00 GST and MRST extra where applicable. RFP 108-2019 will replace contract 459-2014 which will expire on September 30, 2019. The work contained in RFP 108-2019 constitutes approximately 6% of the Winnipeg Transit Plus service delivery.

The Recommendations included in this Report comply with the requirements of the various trade agreements and the City's Materials Management Policy.

RECOMMENDATIONS

1. That the City award, enter into, execute and deliver a Contract for Provision of Accessible Transportation Services for Winnipeg Transit Plus, for the period of seven years from start date of Contract (anticipated to be October 1 2019, meaning expected contract duration is October 1 2019 to September 30, 2026, but may be adjusted pursuant to D2.2 of RFP 108 2019 if the start date of the Contract is delayed through no fault of the Contractor) with Mani-Handi Transit Ltd., the Proponent who submitted the lowest responsive bid in the approximate amount of $3,390,743.00 plus GST and MRST as applicable, and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Contract for Provision of Accessible Transportation Services for Winnipeg Transit Plus and the Ancillary Agreements**,** in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

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

REASON FOR THE REPORT

The Work of the Contract is provided on an "as required" basis; however, the City's operational requirements are such that the Contract may in effect commit expenditures on future budgets. As a result, Council approval is required.

IMPLICATIONS OF THE RECOMMENDATIONS

This is an "as required" contract, and the total conditional amounts to be paid by the City pursuant to the contract is estimated to be approximately $3,390,743.00 GST and MRST extra where applicable, and the contract is for purchases that obligate the City to expenditures on future budgets.

The delivery of Winnipeg Transit Plus service is 100% contracted out to the private sector.

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

The work contained in RFP 108-2019 is replacing a similar contract that ends on September 30, 2019. The work shall be subject to the quantities set out in Section E15 of the RFP. The vehicles to be used for this contract are new full-sized four-door white cars with a minimum seating capacity of three (3) ambulatory passengers in addition to the driver.

This Contract was scheduled to be awarded to ensure sufficient time for the Contractors to purchase the vehicles and be operational on October 1, 2019.

HISTORY/DISCUSSION

In 1977, Winnipeg Transit Plus 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 Winnipeg Transit Plus 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 Winnipeg Transit Plus 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 108-2019 allowed Proponents to respond with proposals. The Work defined in the contract is for five "runs" during the weekdays and two runs on weekends and statutory holidays (a "run" is one vehicle scheduled and available for/or performing the work for one day, 12-10 hours as required). The Work is for a maximum of approximately 18,348 total vehicle hours annually.

Bids were evaluated based on the following evaluation criteria as defined in B20 of the RFP:

(a) compliance by the Proponent with the requirements of the Request for Proposal or acceptable deviation therefrom: (pass/fail);
(b) qualifications of the Proponent and the Subcontractors, if any, pursuant to B12:
(i) mandatory qualifications (pass/fail);
(c) Evaluated Bid Price ……..……..... (60%);
(d) Business Plan ……..…….. (25%);
(e) References ……..……..…… (15%);

EVALUATION BY PROPONENT
RFP 108-2019

Proponent	Compliance (Responsive)	Qualifications of Proponent	Fees	Evaluated Bid Price	Business Plan	References	Total
	Pass/Fail	***Pass/Fail***		***60%***	***25%***	***15%***	***100%***
Bidder 1	**	**	***$2,380,333.20****	***60.00***	***14.50***	***7***	***81.50%***
Bidder 2	***Pass***	***Pass***	***$2,388,309.00****	***59.80***	***18***	***11***	***88.80%***
Bidder 3	**	**	***$3,551,712.36****	***40.21***	***24***	***10***	***74.21%***
Bidder 4	**	**	***$4,681,262.88****	***30.51***	***16***	***10***	***56.51%***
Bidder 5	**	**	***$4,980,975.72****	***28.67***	***16***	***10***	***54.67%***

* These bid prices are based on a five (5) year contract as identified in Form B. An estimated 2% CPI has been applied to the bid price for year six and seven. The contract was identified under Section D2.2 and D2.3 as being for a seven (7) year duration and is thus being awarded for seven (7) years.
** Qualifications included in B14 are verified only for the recommended Proponent.

Mani-Handi Transit Ltd. is the highest rated qualified Proponent for the Work and accordingly is the responsible and qualified Proponent submitting the most advantageous offer to the City. Winnipeg Transit is satisfied that Mani-Handi Transit Ltd. has the necessary resources to perform the Work in accordance with the requirements of the specifications. The Proponent recommended for award of the Work has satisfactorily carried out previous work of a similar nature and has submitted a responsive proposal. This Proponent has an above average rating and is responsive to any issues that require correction. Mani-Handi Transit Ltd. is currently performing contracted work for Winnipeg Transit Plus.

The proposed contractor's written Workplace Safety and Health program has been reviewed by an independent reviewer acceptable to the City and has been determined to satisfactorily meet the requirements of Section 7.4(5) of The Workplace Safety and Health Act.

The contract was identified under Section D2.2 and D2.3 as being for a seven (7) year duration and is thus being awarded for seven (7) years effective October 01, 2019 to September 30,

2026; however, if the start date has to be delayed through no fault of the Proponent the Contract period will be seven (7) years from the actual start date of the Work in accordance with D2.2. The pricing adjustment mechanism in B13.3 will be able to be negotiated to apply to the years 6 and 7 for which pricing was not given on Form B.

The Winnipeg Transit Master Plan (WTMP) that is currently being developed is expected to have recommendations regarding changes to how Winnipeg Transit Plus operates. These recommendations are not expected to be ready until late 2019. Following this, Council approval of the WTMP will be required in order for the Public Service to begin developing implementation plans for any recommended changes. As such, a phased roll-out to how Winnipeg Transit Plus operates would not be expected to begin until early 2021 at the earliest.

Because of this timeline, this contract still needs to be awarded at this time in order to ensure continuity of Winnipeg Transit Plus service. Future contracts that expire in 2021 and beyond will need to be written in such a way as to enable the implementation of WTMP recommendations

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 error in the Request for Proposal D2.2 which states that if the start date has to be delayed through no fault of the Proponent the Contract period will be seven (7) years from the actual start date of the Work in accordance with D2.2. It is the understanding on Form B: Prices requested 5 year pricing and D2.1 states that the Contract is for the period of October 1, 2019 to September 30, 2024. The error has been clarified with the proposed Proponent and the Proponent understands that the Contract is for a seven-year duration.

The Proposals are valid and open for acceptance until May 31, 2019. Bid extension letters have been sent to the Proponents requesting the Proposals continue to be valid until August 16, 2019.

This is an “as required” contract, and goods and/or services will only be ordered to the extent budget funds are available.

FINANCIAL IMPACT

Financial Impact Statement

Date: May 30, 2019

Project Name:

First Year of Program **2019**

Award of Contract for the Provision of Transportation Services for Winnipeg Transit Plus, RFP 108-2019

	2019	2020	2021	2022	2023
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	$ 117,200	$ 469,908	$ 474,339	$ 478,770	$ 483,200
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 117,200	$ 469,908	$ 474,339	$ 478,770	$ 483,200
Less: Existing Budget Amounts	117,200	469,908	474,339	478,770	483,200
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: The costs for this award are allocated across the seven year term of the contract which is October 1, 2019 - September 30, 2026. There is no applicable MRST on this work. Funds for this work are included in the Annual Operating Budget from the Winnipeg Transit Plus Non-Professional Services Account Distribution No. 442 521020 421701 302. The Work of the Contract is provided on an "as required" basis, however, the City's operational requirements are such that the Contract may in effect commit expenditures on future budgets.

original signed by
Laurie Fisher, CPA, CA
Manager of Finance & Administration

CONSULTATION

This Report has been prepared in consultation with:

Legal Services Department (as to legal issues)

OURWINNIPEG POLICY ALIGNMENT

This recommendation aligns with Our Winnipeg strategic goals for sustainable transportation. Section 01-1b promotes the creation of a safe efficient and equitable transportation system that encourages active, accessible and healthy lifestyle options.

SUBMITTED BY

Department: Transit
Division: Client Services Division – Winnipeg Transit Plus
Prepared by: Josie Fernandes, Manager of Client Services
Date: May 30, 2019