Minutes – Executive Policy Committee – December 5, 2023

Report – Standing Policy Committee on Public Works – November 21, 2023

Item No. 4 Award of Contract for Pavement Management System and Data Collection Solution – RFP No. 28-2023

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

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

1. That expenditures of up to $928,233 in 2023 be authorized prior to the adoption of the 2024 capital budget as a first charge against the General Capital Fund, in accordance with Subsection 288(2) of the City of Winnipeg to facilitate timely works on the Pavement Management System and Data Collection Solution.

2. That the City award, enter into, execute, and deliver a Contract for Pavement Management System and Data Collection Solution - RFP No. 28-2023, to International Cybernetics Canada Inc. in the amount of $793,349.25 for software and $1,794,827.35 for data collection for a total of $2,588,176.60, GST and MRST extra as applicable, over six years (2024 – 2029). See Award Distribution in Table 2.

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

Minutes – Executive Policy Committee – December 5, 2023

Report – Standing Policy Committee on Public Works – November 21, 2023

DECISION MAKING HISTORY:

Moved by Councillor Lukes,

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

Carried

STANDING COMMITTEE RECOMMENDATION:

On November 21, 2023, the Standing Policy Committee on 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 Pavement Management System and Data Collection Solution – RFP No. 28-2023

Critical Path: Standing Policy Committee on Public Works – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Neirinck P.Eng.	J. Berezowsky	J. Speidel, acting for C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

This Report recommends that a contract be awarded for Pavement Management System and Data Collection Solution - RFP No. 28-2023, to International Cybernetics Canada, Inc. The Proponent will supply pavement management software as well as pavement data collection services for streets, alleys, sidewalks and pathways. The Recommendations included in this Report comply with the requirements of the various trade agreements and the City's Materials Management Policy.

Approval of this report will award a six-year contract with anticipated contract costs of $2,588,177. While funding for this contract has been included in the 2024 to 2029 draft Capital Budgets – Regional and Local Street Renewal program, those budgets are not yet approved by Council. Therefore, to put sufficient funding in place to award this contract, a first call on the 2024 Capital Budget is required.

RFP No. 28-2023 specifically states that if budgets are not approved, the contract will cease and that the City has the right to terminate the contract with notice of 120 calendar days. Therefore, continuation of this contract is subject to Council approving funding in future budget years (2025 through 2029) and does not commit future City budgets beyond the first call charge on the 2024.

RECOMMENDATIONS

1. That Council authorize expenditures of up to $928,233 in 2023 prior to the adoption of the 2024 capital budget as a first charge against the General Capital Fund, in accordance with Subsection 288(2) of the City of Winnipeg to facilitate timely works on the Pavement Management System and Data Collection Solution.

2. That the City award, enter into, execute, and deliver a Contract for Pavement Management System and Data Collection Solution - RFP No. 28-2023, to International Cybernetics Canada Inc. in the amount of $793,349.25 for software and $1,794,827.35 for data

collection for a total of $2,588,176.60, GST and MRST extra as applicable, over six years (2024 – 2029). See Award Distribution in Table 2.

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

Council approval is required for a first charge against the 2024 Capital Budget.

Council approval is required to award a contract beyond five years in length.

IMPLICATIONS OF THE RECOMMENDATIONS

Approval of this report will award a six-year contract with anticipated contract costs of $2,588,177.

The RFP states that if budgets are not approved, the contract will cease and as per D3.3, this contract is subject to annual approval of monies and that the City reserves the right to alter the type or quantity of work performed under this Contract, or to terminate the Contract, upon 120 Calendar Days. Also, in the event that operational changes result in substantial changes to the requirements for the Work, the City reserves the right to alter the type or quantity of work performed under this Contract, or to terminate the Contract, upon thirty (30) Calendar Days written notice.

RFP No. 28-2023 is projected to be funded by the Regional and Local Street Renewal Program – see Appendix A for further detail.

The 2022 Capital Budget, adopted by Council on December 15, 2021, included funding for the 2022 Non-Accelerated Regional Street Renewal Program in the amount of $20,770,000, of which, $300,000 was allocated to the New Pavement Management System.

The 2023 Capital Budget, adopted by Council on March 22, 2023, included funding for the 2023 Non-Accelerated Regional Street Renewal Program in the amount of $51,078,000, of which, $100,000 was allocated to the Pavement Management System.

See Appendix A for a summary of the cash flows and draft capital budgets allocated for the award of RPF No. 28-2023.

Approval of Recommendation 1 will result in a first charge against the 2024 Capital Budget in the amount of $928,233 and put sufficient funding in place to award the contract at this time.

First charges on the 2024 Capital Budget, adopted as part of the 2023 Budget (Council Recommendation 2 – E) total $106.467 million. Approval of this report will increase approved first charges on the 2024 Capital Budget by $0.928 million, resulting in total approved first charges of $107.395 million. For clarity, approval of this report will not cause approved first charges to exceed the maximum of 30% of the expenditures estimated in the capital budget for 2023 as set out in Subsection 288(2) of the City of Winnipeg Charter.

HISTORY/DISCUSSION

The Regional and Local Street Renewal Program is the annual Capital Street Renewal Program of the Public Works Department's Capital budget, as adopted by Council. The program includes the renewal of streets, alleys, sidewalks and pathways.

Streets, alleys and pathway condition data is currently collected manually on a three-year cycle and can be subjective, slow, and a safety hazard on busy streets. The proposed method will use automated data collection vehicles, will include sidewalks, is consistent and reliable and will be collected in a single season. Vehicles are equipped with various types of data collection technology and equipment. Each vehicle collects pavement imagery and includes technology that detects and identifies pavement surface distresses.

Data is currently maintained in a pavement management system that has been in use since 2001 and does not include sidewalk data. The age of the current pavement management system and lack of support contributes to gaps between the Department's needs and the functionality of the software. The proposed software supports data-driven decision making and provides integrated mapping which reduces redundancies in data maintenance. The system has the ability to configure the analysis to include all pavement data, expanding the list of parameters and factors to assist with planning and decision making. The pavement management system would be inclusive of all facilities, including sidewalks. The new system offers secure software support and continued functionality for future use.

The software cost identified in Table 2 (next page) represents the software acquisition and an annual license to use the Software as a Service, and the City of Winnipeg shall maintain ownership of its data. Automated data collection of street and sidewalk conditions will occur in 2024 and 2027 as identified in Table 2.

A Request for Proposal for a Pavement Management System and Data Collection Solution - RFP No. 28-2023 was advertised on the MERX public webpage and Proposals were received Prior to 12:00 p.m., June 14, 2023. The bids are valid until December 11, 2023.

The Department received four proposals. All proposals appear to be responsive.

The proposals were evaluated by a committee comprised of representatives from Public Works applying rating criteria defined in Clause B27.1 of the Request for Proposal. The Completed Evaluation matrix including fee/evaluation breakdown for all bids is included in Table 1 (next page).

At the end of the Contract, the Department will have the option to annually negotiate up to six annual extensions for software and two additional data collection cycles.

In the opinion of the Department, the proposed consultant has the skills and resources to satisfactorily complete the Work.

The requirements for Bid and Performance Securities, 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 Standard FM-002. The Department Controller has confirmed that funds are available.

Table 1: Summary Evaluation of Proposals

	International Cybernetics Canada Inc.	Bidder 2	Bidder 3	Bidder 4
Compliance (pass/fail)	Pass	Pass	Pass	Pass
Qualifications (pass/fail)	Pass	Pass	Pass	Pass
Bid	**$2,588,176.60**	$3,217,856.35	$3,119,300.00	$3,424,880.78
Total Bid Price (15 points)	15.00	12.06	12.45	11.34
Form N – Mandatory (pass / fail)	Pass	Fail	Fail	Pass
Form N – Non- mandatory (5 points)	4.96	2.18	3.6	4.72
Proponent Experience (5 points)	3.2995	3.1835	2.667	2.7505
Key Personnel (15 points)	8.514	9.732	10.17	5.348
Project Understanding (10 points)	5.251	6.6	5.933	4.416
Project Schedule (5 points)	2.634	3.3	1.867	1.95
Business Requirements (20 points)	13.796	12.18	12.148	14.765
Technical Requirements (10 points)	7.495	5.79875	6.165	6.77125
Training and Support (10 points)	2.264	3.732	3.602	8.5
Value Added (5 points)	1.2	2.668	2.918	1.3245
Total (Max 100 points)	**64.4135**	61.43425	61.52	61.88525

Table 2: Award Distribution

	2024	2025	2026	2027	2028	2029	**Total**
Software	$299,349.25	$98,800.00	$98,800.00	$98,800.00	$98,800.00	$98,800.00	$793,349.25
Data Collection	$874,536.35	$0.00	$0.00	$920,291.00	$0.00	$0.00	$1,794,827.35
Totals	**$1,173,885.60**	**$98,800.00**	**$98,800.00**	**$1,019,091.00**	**$98,800.00**	**$98,800.00**	**$2,588,176.60**

See Appendix A for a summary of the cash flows and intended capital budgets for the award of RPF No. 28-2023.

Financial Discussion

In order to award a contract, sufficient budget must be in place. Funding that Council has authorized to date ($400,000) is not sufficient to award the first year of the contract. While funding for this contract has been included in the 2024 to 2029 draft Capital Budgets – Regional and Local Street Renewal program, those budgets are not yet approved by Council. Therefore, to put sufficient funding in place to award Year 1 of this contract, a first call on the 2024 Capital Budget is required.

RFP No. 28-2023 specifically states that if budgets are not approved, the contract will cease. Therefore, continuation of this contract beyond Year 1 is subject to Council approving additional funding in future budget years (2025 through 2029) and does not commit City budgets beyond the first call on 2024.

FINANCIAL IMPACT

Financial Impact Statement

Date: October 4, 2023

Project Name:

Award of Contract for Pavement Management System and Data Collection Solution – RFP No. 28-2023

First Year of Program **2024**

	2024	2025	2026	2027	2028	2029
Capital						
Capital Expenditures Required	$ 1,328,233	$ 112,331	$ 112,331	$ 1,158,587	$ 112,331	$ 112,331
Less: Existing Budgeted Costs	400,000	-	-	-	-	-
Additional Capital Budget Required	$ 928,233	$ 112,331	$ 112,331	$ 1,158,587	$ 112,331	$ 112,331
Funding Sources:						
Debt - Internal	$ -	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-	
Grants	-	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 2,536,144					
Total Additional Debt Required	$ -					
Current Expenditures/Revenues						
Direct Costs	$ -	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	72,175	6,615	6,615	68,160	6,615	6,615
Net Cost/(Benefit)	$ (72,175)	$ (6,615)	$ (6,615)	$ (68,160)	$ (6,615)	$ (6,615)
Less: Existing Budget Amounts	(72,175)	(6,615)	(6,615)	(68,160)	(6,615)	(6,615)
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -	$ -

Additional Comments: This is a six year software install and license contract beginning in 2024 and ending in 2029 that is projected to be funded by the Regional and Local Street Renewal Program. See Appendix A for further details. Approval of this report will authorize $928,233 in funding in advance of the adoption of the 2024 Capital Budget. Continuation of the contract beyond 2024 is subject to Council authorizing additional funding in 2025 through 2029 and the contract will cease if this funding is not approved. Incremental Revenue/Recovery represents the Departmental Engineering Administration, Corporate Interest, and Administrative Overheads.

J. Ruby, 2023-10-17

J. Ruby, CPA, CA
Manager of Finance & Administration

CONSULTATION

This Report has been prepared in consultation with:

- Innovation and Technology Services

OURWINNIPEG POLICY ALIGNMENT

N/A

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

N/A

SUBMITTED BY

Department: Public Works
Division: Engineering
Prepared by: Juli Cox, C.E.T, Blake Kibbins, P. Eng.
Date: October 18, 2023

Attachments:

Appendix A: Cashflows and Capital Budgets for Award of RFP No. 28-2023