

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING OF MAY 28, 2018
FROM:	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL AND ENGINEERING SERVICES AND CITY ENGINEER
SUBJECT:	REVISED GROUPED CONSULTANT SELECTION PROCESS

RECOMMENDATION

That on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer, the following action **BE TAKEN** with respect to the Grouped Consultant Selection Process:

- (a) The proposed Grouped Consultant Selection Process, **BE ENDORSED** as set out in the Grouped Consultant Selection Process document attached, hereto, as Appendix "A";
- (b) The Civic Administration **BE AUTHORIZED** to make minor amendments to the process as part of an annual review in the spirit of continuous improvement; and

PREVIOUS REPORTS PERTINENT TO THIS MATTER

- None

2015-2019 STRATEGIC PLAN

This report supports the Strategic Plan in the following areas:

- Building a Sustainable City: robust infrastructure; strong and healthy environment; responsible growth.
- Leading in Public Service: open, accountable and responsive government.

BACKGROUND

Purpose

The purpose of this report is to update the City's process for grouped consultant selection and to seek Council endorsement for the new process. The goal of the review and update is to ensure that grouped consultant procurement decisions are made using a competitive process that is both transparent and fair.

Context

Grouped consultant procurements are undertaken when there are multiple projects that are similar in nature that need to be awarded during the same timeframe. The purpose of grouping these assignments is to reduce the amount of administrative work and minimize the number of reports to Committee. A typical grouped consultant procurement would award as many as fifteen projects as part of a two-step Request for Qualification and Request for Proposal process. Following the process, a committee report would be drafted to award the consulting assignments.

The purpose of creating this process document is to provide a guide to City Staff, Council and the consulting community providing the details of how the City of London undertakes grouped consultant selections. In addition, the creation of this document

provides the opportunity to undertake a third-party review to ensure that the process is fair and unbiased. The process document complements the Procurement of Goods and Services Policy. Subject to Council approval, the Grouped Consultant Selection Process document will be referenced as part of a concurrent update to the Procurement of Goods and Services Policy.

DISCUSSION

The guiding principle for the Grouped Consultant Selection Process aligns with those of the overall Procurement of Goods and Services Policy:

“To obtain the right services when needed while achieving best value through a transparent, fair and competitive process with a high focus on Customer Service.”

The development of the process included participation from top management, project managers, Purchasing and Supply Services, Legal Division, as well as a review by an independent Fairness Commissioner. The process also builds on the recommendations provided over several years from the City Auditor.

Receiving a high quality of service at a fair cost is a key desired outcome of the grouped consultant selection process. In order to achieve this outcome, “Qualifications-Based Selection” best practices are used to select the preferred consultant. The Qualifications-Based Selection (QBS) requires that consulting services be awarded primarily based on qualifications and competency. Once qualifications and competency has been established, a competitive two-envelope based final selection process is used to award the consulting contract. In the two-envelope method, submissions are received in two separate envelopes with the first envelope containing the technical proposal and the second envelope containing the information on the cost of the proposal.

The grouped consultant selection process is to be applied to consultant appointments that are similar in nature. The following list provides several examples of consultant appointments where grouped selections could apply:

- Growth related stormwater servicing,
- Infrastructure lifecycle renewal program,
- Major transportation infrastructure projects.

Grouped Consultant Selection Benefits

The overall purpose of the Grouped Consultant Process is to reduce the requirements related to an otherwise large number of single consultant appointments. The grouped selection reduces both administrative requirements and the overall number of reports required to be considered by Committee and Council. Some of the programs that use the process issue as many as 10-15 consulting assignments per year.

Changes from the Current Process

The City of London has carried out variations of grouped consultant selection for over ten years. The new process includes several changes from our previous practices. Prior to 2017, grouped consultant selections were made from a predefined consultant list. The new process mandates that a Request for Qualifications stage will be undertaken for all grouped consultant procurements. The Request for Qualification will also be publicly advertised as an open invitation. The objective of this change is to ensure that the grouped consultant process is open to all consulting firms and that our process is in compliance with the Canada-European Union Comprehensive Economic and Trade Agreement (CETA).

The process for selecting a successful consultant has also been modernised. The previous process required a consultant to submit a technical proposal that did not include a detailed fee summary. During the previous process, the consultant with the technical proposal with the highest score would be selected to submit a fee summary and, subject to a review of the estimate, would be selected for the contract. The new process requires the consultant to make a “two-envelope” submission. One envelope includes the consultant’s technical proposal and the second envelope includes a detailed fee summary. The review team scores the technical proposal while the fee summary remains sealed. Once the technical proposals are evaluated, the review team convenes, the fee summary is opened, and the successful consultant is selected based on a predetermined calculation that considers both the technical score and the total fee value. The objective of this change is to ensure that the outcome of the new process is the selection of a highly-qualified consultant at a fair cost to the City.

Independent Fairness Commissioner Review

Bill Mocsan, of the firm HKA which specializes in public procurement and fairness services for public and broader public sector organizations reviewed the document alongside the City’s Procurement of Goods and Services Policy to ensure it is a fair procurement document. This means ensuring the process is open, transparent, and has integrity while ensuring fair, consistent, and unbiased treatment of bidders. The commissioner had some minor comments to the document but offered the following overall observation:

I have no concerns with the Document from a fairness perspective. I like the idea of grouping a series of related assignments or tasks into a single procurement because it forms the foundation of a long-term commitment on the part of the supplier. It also helps to establish a better partnership between the supplier and the City and encourages the supplier to accept more of an ownership responsibility for the success for the final product. If this strategy is clearly articulated in the procurement documents, I believe it can lead to a positive working relationship with the successful bidder and result in a better end-product.

CONCLUSIONS

The Grouped Consultant Selection Process provides an efficient, high value, and cost effective means of awarding a large number of Consultant assignments. The guiding principles of providing a competitive process that is transparent, fair, and competitive have formed the basis for this process. As noted in the Procurement of Goods and Services Policy, grouped consultant procurements may be undertaken for more than one project if the projects are similar in nature, the Consultants possess the skills necessary to undertake this type of work and efficiencies are realized by the City. The Grouped Consultant Selection Process incorporates industry best practice principles such as Qualification Based Selection and links to the City’s Project Management Process. Moving forward, this process will be administratively reviewed through a continuous improvement program in tandem with updates to the corporate Procurement of Good and Services Policy.

PREPARED BY:	REVIEWED & CONCURRED BY:
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Attach: Appendix "A" – Grouped Consultant Selection Process document

CC: John Freeman, Manager, Purchasing & Supply
Peter McAllister, Chair, London Chapter, Consulting Engineers of Ontario