

**Management's Response to the Auditor General's Review of
Transportation Services – Review of Winter Maintenance Services**

<u>Rec No</u>	<u>Recommendation</u>	<u>Agree (X)</u>	<u>Disagree (X)</u>	<u>Management Comments:</u> (Comments are required only for recommendations where there is disagreement.)	<u>Action Plan/ Time Frame</u>
1.	<p>The City Manager, in consultation with the General Manager, Transportation Services, ensure that the service review of Transportation Services include winter maintenance service levels, with a view to:</p> <p>a. Determining the incremental cost of providing higher standard of service than legislated and providing additional winter maintenance services, such as clearing residential windrows, bike lanes, trail paths and transit lanes;</p> <p>b. Determining the implications arising from any service level increases or decreases, including any potential liability exposure; and</p> <p>c. Prioritizing services that could be reduced or discontinued to effect cost savings.</p>	<p>X</p> <p>X</p> <p>X</p>		<p>The existing levels of service are a reflection of what has been adopted by City Council in response to public expressions of desired winter services. Council has received numerous reports over the years as recently as 2009 and was aware of the budget implications.</p>	<p>The General Manager, Transportation Services will request of the City Manager that the corporate Service Review Process include a review of the winter maintenance service levels provided by Transportation Services including; determining the incremental costs of providing a higher standard of service than legislated, determining the implications arising from any service level increases or decreases, and prioritizing services that could be reduced or discontinued to effect cost savings.</p> <p>The Service Review Process is to be completed in 2011 so that it may be incorporated into the 2012 Operating Budget process.</p>

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2.	The General Manager, Transportation Services, re-confirm with City Council, the City's winter maintenance service levels that would serve as basis for the next winter maintenance contracts (for 2015 and on), before initiating the Request for Quotation process.	X			Transportation Services will engage all Members of Council in a standardized comprehensive evaluation of winter services in 2013 prior to the issuance of new RFQs in 2015
3.	The City Manager, in consultation with the General Manager, Transportation Services, ensure that winter maintenance costs are included in the financial impact statements for changes such as road developments, bike lanes, trail paths and transit lanes.	X			<p>Winter maintenance costs to be included in financial impact statements for changes such as road developments, bike lanes, trail paths, and transit lanes, wherever Transportation Services is consulted. Effective immediately.</p> <p>A communication will be sent out from the City Manager advising divisions to consult with Transportation Services on any proposed infrastructure changes that may impact winter maintenance costs.</p>

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4.	<p>The General Manager, Transportation Services, in conjunction with the Chief Corporate Officer, give priority to updating the long-term strategy for snow disposal operations, including:</p> <p>a. Determining the optimal number and location of snow dump and snow melting sites;</p> <p>b. Developing timelines for the acquisition and development of snow dump sites; and</p> <p>c. Reporting on the updated snow disposal plan to the Public Works and Infrastructure Committee by September 2012.</p>	X			<p>Transportation Services is committed to updating the city Snow Removal plan on an ongoing basis.</p> <p>An RFQ for consulting services for further review of the plan including determining the optimal number of snow storage and snow melting sites, the development of timelines for the acquisition of such sites, will be issued in 2011.</p> <p>Transportation Services will report on the updated plan and consultant's review to the Public Works & Infrastructure Committee by September, 2012.</p>

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5.	<p>The General Manager, Transportation Services, in consultation with the Director, Purchasing and Materials Management Division and the City Solicitor, explore the possibility of modifying the current winter maintenance contract award process by:</p> <p>a. Allowing the opening of all submitted bids; and</p> <p>b. Reserving the City's right to award contracts in a manner that gives the City the lowest possible price while respecting the principles of a fair and open procurement process.</p>	<p>X</p> <p>X</p>		<p>Transportation Services and PMMD have reviewed this recommendation with Legal Services. Legal has advised that the modifications to the process suggested by the AG are not consistent with a fair, open and transparent competitive procurement process, and could lead to potential legal disputes and claims against the City</p>	<p>Prior to the tendering of the current contracts, Transportation Services, in consultation with PMMD reviewed the process for the opening and evaluation of the RFQs.</p> <p>Prior to the issuance of RFQs for winter services in 2015 Transportation Service, in consultation with and subject to the approval of PMMD, IRM, and Legal Services will explore and re-visit the possibility of modifying the current winter maintenance contract award process.</p>

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6.	The General Manager, Transportation Services, on a pilot program basis, implement performance measures using available information such as GPS and salt usage data to assess whether approved service standards are met or exceeded, efficient employment of resources or other useful information for management.	X			For the 2011/2012 winter season, Transportation Services will develop and implement a pilot program that implements performance measures using data from GPS and salt usage data to assess whether approved service standards are met or exceeded.

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7.	<p>The Manager, Insurance and Risk Management, and divisional staff review their respective roles in investigating claims and ensuring adequate preventive measures are in place to minimize occurrence and related costs, including</p> <p>a. Establishing monitoring procedures at the division level to identify risk areas and analyze trends;</p> <p>b. Determining the appropriate level of detail that should be provided by Insurance and Risk Management to divisions to facilitate such analysis; and</p> <p>c. Utilizing GPS information as required for claims investigation to establish that the appropriate level of service has been provided.</p>	X			<p>Insurance & Risk Management and divisional staff will meet to establish a communication protocol for the transmittal of claims data. Q4, 2011</p> <p>Insurance & Risk Management will select and provide sufficient claims data to allow the division to conduct analysis into the loss exposures which give rise to claims so that preventative measures can be developed and proposed for implementation. Q2, 2012</p> <p>Insurance & Risk Management will instruct all City adjusters and insurance defense lawyers to specifically request GPS data when submitting requests for records to Transportation Services to support the defence of insurance claims. Q2, 2011</p>