



BCACG Meeting

February 8, 2016



AGENDA

- Welcome
- Review & Confirmation of the Minutes
- Updates from the Working Groups
- Suggestions from the GTSWCA
- IMFG Perspectives Paper; *Cost overruns on Infrastructure Projects: Patterns, Cause and Cures*
- Comments/Discussion on the Proposed Social Procurement Policy
- Expectation of Contractors in a Labour Disruption
- Terms of Reference
- Other Business



Updates from the Working Groups



Contractor Performance Evaluations (CPE)

Action / Update

- Update of PMMD website to include more detailed information concerning the CPE process, including the objection process
 - City Website was updated in early November 2015. CPE content can be found in “Selling to the City” area of the site.(found under “Important Information for Vendors”).
 - We welcome feedback from BCACG reps and their membership on the content
- Release updated CPE Form
 - Review is underway and descriptions used for various criterion are being revised for better understanding and consistent application
- Prepare accurate and current results database which is available to report to the industry
- Complete training to applicable City staff

Time Line

- October 2015
- ~~January 2016~~
- **March 2016**
- March 2016
- June 2016



Prequalification of Contractors

MISSION: To develop clear, fair and consistent prequalification documents, with standardized application of use and criteria by the type of work required.



Prequalification of Contractors

Action

- Summarize current use and content of representative documents from across divisions as well as benchmarking other municipalities and organizations. (Complete, table provided)
- Preparation of standardized and streamlined templates/ check list for use in the development of prequalification documents.

Time Line

- December 2015
- Ongoing, subject to adoption of recommendations



Prequalification of Contractors

The following recommendations are being proposed to the BCACG:

1. Develop/consolidate a City wide PMMD request to prequalify (RTP) template for linear, vertical, roster, and specialized applications.
2. Implement prequalified rosters for a duration of 2 to 4 years that annually permits contractors to submit to qualify to be added for the balance of the roster period. If roster conditions change, a new prequalification will be conducted.
3. Consolidate and normalize criteria and weighting.
4. Establish a guideline for setting criteria and weighting to ensure they are reasonable.
5. Establish a guideline for assessing submissions.
6. Ensure a Manager or peer conducts a QA/QC review of criteria and weighting prior to PMMD review.
7. Implement use of the CCDC 11 Contractor's Qualification Statement for uniform submissions.
8. Include a H&S questionnaire as part of the submission for 3rd party review. COR will replace this in due course.
9. Implement a master legal agreement for rosters for standardization and efficiency.

Engineering & Construction Services



CWG Working Group
Investing More in Pre-Engineering and
Design

Building a Better Toronto Together

Goals of Task

- Review current project delivery model through surveys - internal and external
- Identify areas for improvement in delivery models
- Improve structure and content of RFP Documentation to ensure appropriate effort put into project design phases
- Develop Consultant Success Metrics – in concert with development of Consultant Evaluation Process and Form
- Provide Feedback to BCACG for Discussion
- Develop Timelines for Implementation

Internal and External Surveys

- First survey circulated to selected Consultants (external)
- First circulation December 2015; second circulation mid-January 2016.
- Responses requested by end of January
- Second survey (internal) circulated early January to PMs in City Departments delivering capital projects
- Responses currently being received
- Results to be combined with Consultant Survey in single document

Consultant Survey (Today's Presentation)

- RFP Documents
- Evaluation Protocols
- Debriefing Sessions
- Consultant Evaluation
- Quality of Design Submissions
- Next Steps

RFP Documents

- Sometimes accurately cover scope
- Other times, significant variation in what was asked for and what eventually evolved in the project
- Differences sometimes noted between City groups and sections around how RFPs are structured and evaluated
- Consultants may or may not submit, depending on City PM designated as project lead
- More RFI processes would be useful, and movement towards negotiated fee models would be beneficial – as accurate fees are often difficult to predict at the proposal stage.

Evaluation Protocols

- General consensus that they do not always capture key elements that ensure retention of the “best” consultant
- Consultants want to see more variation in technical scores to better differentiate proposals
- Relative weighting between Team Structure, Project Approach, Experience, Workplan and Cost is for the most part appropriate
- Mixed reviews on overall satisfaction with City’s scoping, evaluation and selection processes

Debriefing Sessions

- Mixed reviews on value of debriefing sessions
- Some desire to have actual technical and price scores provided
- Dissatisfaction with restrictions put on City staff around what they are able to communicate
- Little formal advice on how to improve subsequent submissions
- Would like to see technical and cost scores completely transparent – published in Committee reports

Consultant Evaluation Process

- City may in future implement a formal Consultant Performance Evaluation (CPE). We asked for comments
- Some suggestions were to do so at several stages through a project, to allow for performance improvement
- Recommended that the criterion be well-defined and as objective as possible
- Consider an appeals process

Quality of Design Submissions

- Quality of design submissions is sometimes linked to numbers of scope change requests
- City may in future consider prescribing minimum percentage of hours by project design phase
- Some agreement that doing so would be more fair and ensures that consultants increase effort in certain areas
- Should be tied to staffing effort, with guaranteed availability of proposed staff members, and minimum experience requirements for each discipline

Next Steps

- Receipt of additional Consultant submissions
- Evaluation of internal survey – Engineering Consultants and City Practices around Project Management
- Revamp of RFP documentation (ongoing)
- Meeting with CEO / COT Liaison Committee
- Presentation of Internal Survey Results at next BCACG Meeting



Timely payment / Release of consultant holdbacks

- Construction divisions have developed and implemented Payment Process mappings that comply with payment terms in Q4 of 2015. A system module to track payment compliance is under development to replace the manual tracking, expected to be in place by mid 2016. The process was developed with a review of :
 - Invoicing
 - Processing/authorization
 - Cheque issuance



Timely payment / Release of consultant holdbacks (continued)

- Experienced issues with vendors sending invoices to Accounts Payable (AP) instead of sending it to the City Engineers or Project Managers for review. "Billing Requirement" protocol was revised to separate the procedure for Construction related invoices and implemented on November 2015. Construction related invoices should no longer go to A/P.
- Electronic processing of payment requisitions has been implemented city wide on June 2015. Since implementation, the system has been working well (some delays in Dec. 2015 due to year end demands).



Getting Members of Associations Involved in Working Groups



Suggestions from the GTSWCA



IMFG Perspectives Paper

City of Toronto Social Procurement

Program Summary (Last rev: February 4, 2016)

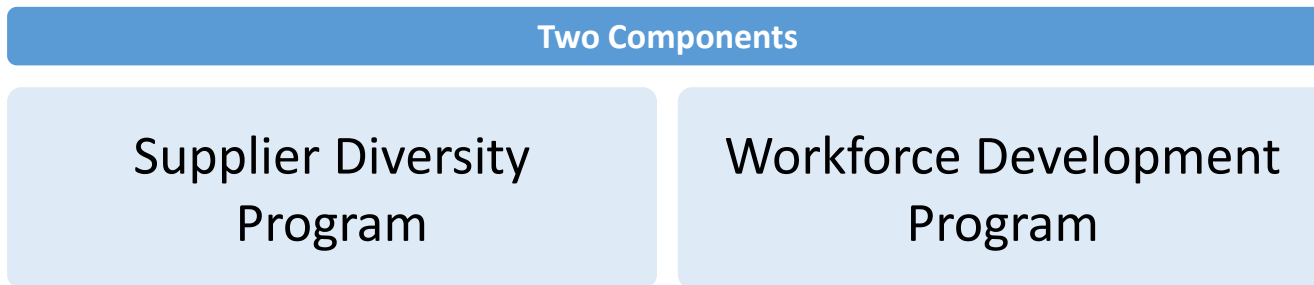


City of Toronto Social Procurement Program

Goal:

Leverage the economic power of the City to stimulate job growth, support local businesses, and drive inclusive economic growth.

- Poverty Reduction Strategy Recommendation #13



Proposed Supplier Diversity Program

- For procurement under \$50,000 in value, divisions must make attempts to get at least one quotation from certified diverse suppliers and social purpose enterprises.
 - Current certifying bodies: CAMSC, WBE Canada, CGLCC, Social Purchasing Project
- Suppliers competing for larger contracts do not have to be diverse, but will be encouraged or required to adopt their own supplier diversity program.
- Requirement to engage in supplier diversity will depend on the capacity of the marketplace.

Proposed Workforce Development Program

- In partnership with stakeholders, the City will identify contracts with opportunities to leverage training and employment opportunities.
- **For construction projects**, approach will be aligned with Provincial *Infrastructure for Jobs and Prosperity Act* (Bill 6).
 - Bidders must identify the planned number of apprentices and methods of recruiting apprentices from equity-seeking/vulnerable groups.
 - Bidders must identify other workforce development initiatives for non-trade related work.
- **For non-construction projects**, workforce development can include, employment opportunities, job readiness training, working with social purpose enterprises engaging in workforce development, participation in job fairs, etc.

What we have heard

- Construction industry needs qualified people who are trained properly to ensure health and safety.
- Vendors do not have full control over how many apprentices they can bring on and who they get.
- Not all construction projects involve apprentices or fit neatly into social procurement.
- Need to make requirements flexible to account for changing economic and industry conditions.

Key Notes for the BCACG

- For construction, similar to *Infrastructure for Jobs and Prosperity Act* (Bill 6) – suppliers propose plan, rather than imposing pre-set targets.
- Phased implementation to establish baseline of what is possible.
- Program will encourage vendors to connect with existing programs and initiatives (e.g. will not require a contractor to engage in WfD for which there is no program or capacity)
- For work that does not involve trades/apprentices, suppliers can participate in other workforce development opportunities (e.g. working with certified social purpose enterprise).
- The City will work with all stakeholders to identify meaningful opportunities. There is no intent to impose requirements on projects where it does not make sense.

Internal Capacity Building

- Dedicated staff person to identify suitable procurement, share information and ensure two-way dialogue between Purchasing, divisions, and community partners. Build awareness of diverse suppliers that have the capacity to fulfill their purchasing needs.
- Train staff to build awareness and promote diverse suppliers and workforce development programs.
- Champion social procurement at planning tables for Toronto Strong Neighbourhoods Strategy and Poverty Reduction Strategy.

External Capacity Building

- Provide business development support to new businesses and social enterprises to help them become “ready” to do business with the City.
- Targeted outreach, capacity building and match making.
- Inform community networks about City procurement opportunities.
- Inform residents and businesses of the City’s expectations
- Encourage targeted suppliers to register with the City as a diverse supplier.
- Engage with supplier diversity councils and diverse business networks.

Timeline

- **February 24:** Report submitted to Clerk
- **March 9:** Staff report considered at Executive Committee
- **March 30/31:** Staff report considered at City Council

For more information

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Expectation of Contractors in a Labour Disruption



Terms of Reference



Other Business



Next BCACG Meeting:

May 30, 2016

11:30 a.m.

Committee Room #3