

HALIFAX

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 12.1.1
Audit & Finance Standing Committee
June 15, 2016

TO: Chair, and Members of Audit & Finance Standing Committee

Original Signed

SUBMITTED BY:

John Traves, Q.C. Acting Chief Administrative Officer

Original Signed

J.M. Blais, Chief of Police

DATE: April 4, 2015

SUBJECT: Award RFP 15-190 HRP Facility Replacement Business Case

ORIGIN

At the July 29th, 2014 session of Regional Council, direction regarding both a feasibility study and future funding of potential strategic projects was voted on as follows:

14.2 Ratification of Committee of the Whole - Strategic Capital Funding Strategy

This matter was dealt with at a Committee of the Whole session held earlier and was now before Council. Council agreed to have a recorded vote on each recommendation.

MOVED by Councilor Mason, seconded by Deputy Mayor Fisher moved seconded by Deputy Mayor Fisher that Halifax Regional Council:

1. Approve the use of the Capital Reserves Q101 Sale of Assets; Q126 Strategic Growth; Q139 Central Library Repayment Reserve; and Q145 Regional Facility Expansion Reserve To fund the Planned Strategic Projects and the Potential Strategic Projects should they proceed.

MOTION PUT AND PASSED. (14 in favour, 3 against)

In favor: Mayor Savage, Deputy Mayor Fisher, Councillors Karsten, Nicoll, McCluskey, Mason, Watts, Mosher, Walker, Adams, Rankin, Whitman, Craig and Outhit. Against: Councillors Dalrymple, Hendsbee and Johns.

7. Direct staff to recommend funding in the 15/16 Capital Budget to: a. Complete feasibility study, business case and Class C costing for the Police Station Renewal and Fire Services Training Facility

MOTION PUT AND PASSED UNANIMOUSLY.

Recommendation on next page

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Council approved, Dec 11, 2012, that all budget increases are to be presented to the Audit and Finance Standing Committee, prior to submission to Council.

Halifax Charter, section 93(1) - The Council shall make estimates of the sums that are required by the Municipality for the fiscal year; Halifax Charter, section 79(1) - Specifies areas that the Council may expend money required by the Municipality; Halifax Charter, section 35(2)(d)(i) - The CAO can only authorize budgeted expenditures or within the amount determined by Council by policy; Halifax Charter, section 120(6) - The Municipality may maintain other reserve funds for such purposes as the Council may determine; Halifax Regional Municipality policy on Changes to Cost Sharing for Capital Projects - Changes requiring Council approval; and the Halifax Regional Municipality Administrative Order 2014-015 Respecting Reserve Funding Strategies – (6) No reserve funds will be expended without the CAO's recommendation and Council approval. (5) The Audit and Finance Standing Committee shall review and recommend to the Council for its consideration all impacts to the Reserves.

RECOMMENDATION

It is recommended that;

1. Award RFP P15-190 HRP Facility Replacement Business Case to the highest-scoring proponent, Rebanks, Pepper and Littlewood Architects Ltd. for a total cost of \$ 202,106 (net HST included);
2. Approve an unbudgeted withdrawal in the amount of \$202,106 from the Potential Strategic Project Reserve, Q126, as outlined in the Financial Implications section of this report.

BACKGROUND

As part of the 1996 municipal amalgamation, policing services for the three former municipal police departments (Halifax, Bedford and Dartmouth) were restructured to create Halifax Regional Police (HRP). HRM operates under an integrated policing model, with the urban core being serviced by Halifax Regional Police and the suburban areas policed by Halifax District RCMP. More specifically, HRP is responsible for policing Halifax; Dartmouth, Bedford and all communities from Bedford to the Sambro Loop, while Halifax District RCMP polices Tantallon, Lower Sackville, Cole Harbour, Musquodoboit Harbour and Sheet Harbour. On April 1st, 2016, HRP began providing policing services to the Halifax International Airport.

The current central police headquarters station, the David P MacKinnon Building, has several serious documented issues and is generally too small and outdated to effectively and efficiently serve as HRM police headquarters. Additionally, given these space constraints, a number of specialized police sections, such as the Criminal Investigative Division, the Strategic Technology Integration Unit and the Records and Courts Section have been forced to either lease office space outside of headquarters or work from other locations, resulting in work-flow inefficiencies.

The Consultant will document the current HRP/RCMP integrated police service delivery model in terms of distribution of functions, travel time, personnel and facilities as well as service delivery and will summarize the major issues. These issues will include operational effectiveness of the current policing model, facility suitability and location, and the ability of the current infrastructure to meet current and projected police service delivery needs.

The result of this review will produce a business case for a new HRP police facility or facilities within HRM. The study will determine the most operationally efficient, cost-effective configuration and location of police facilities to support the long-term delivery of policing service in Halifax. It will consider the centralization versus decentralization of facilities as well as the general location of said facilities.

Comprehensive computer modelling will be expected to determine the most efficient locations and configurations.

DISCUSSION

Request for Proposals P15-190, Halifax Regional Police Facilities Replacement Business Case was publicly advertised on the Nova Scotia Public Tenders website on January 21, 2016, and closed on March 1, 2016. Proposals were received from:

- Deloitte LLP
- Rebanks, Pepper and Littlewood Architects Ltd (RPLA)
- KPMG Inc.
- Stantec

Proposals were evaluated by staff from Corporate Facility Design and Construction, Halifax Regional Police, and facilitated by Procurement per the criteria listed in Appendix A, Evaluation Criteria.

The RFP was evaluated using a two-envelope process. Envelope One was the technical component of the RFP. Envelope Two consisted of the cost proposal. Only those proponents that received 75 percent or better on the Technical Submission from Envelope One had their cost envelopes opened and evaluated. The proposals from KPMG Inc. and Deloitte LLP did not meet the minimum technical requirement and their cost proposals will remain unopened. The remaining proposals were scored as follows:

Name of Company	Bid Price (net HST included)
Rebanks, Pepper and Littlewood Architects Ltd. *	89
Stantec Inc.	82.21

It is anticipated that the work will start in the two (2) weeks following the awarding of the Contract, and the work will take approximately forty (40) weeks to complete.

FINANCIAL IMPLICATIONS

Based on the highest scoring proponent's cost of \$193,800 plus net HST of \$8,306 for a total net cost of \$202,106, funding is available in the approved 2016/17 Operating Budget from operating account P130-6303, provided this cost be funded from an unbudgeted withdrawal from Reserve Account Q126, Potential Strategic Project Reserve. Availability of the funds has been confirmed by Finance.

Budget Summary – Potential Strategic Project Reserve, Q126

Projected Net available Balance, March 31, 2016, as at Feb 29, 2016	\$37,312,253
Budgeted 2016/17 contributions (including interest)	\$26,488,480
Budgeted 2016/17 withdrawals	\$ 0
Withdrawal per recommendation, RFP P15-190	<u>\$ (202,106)</u>
Revised Projected Net Available Balance, March 31, 2017	\$63,598,627

This project was originally estimated at \$ 250,000 procurement of consultant services to review current HRP operations. Their report will provide recommendations as to the optimal placement of police facilities so as to increase both efficiency and effectiveness.

Potential Strategic Projects, Q126 (July 8, 2003 – Strategic Growth Reserve)

In 2014, Council approved the development of the Potential Strategic Projects Reserve from the Strategic Growth Reserve. As approved by Council, the intent of the reserve is to provide funding for potential projects such as the Police Station Renewal; Fire Services Training Facilities, Stadiums, Library Facilities, and other capital initiatives to be approved by Council. This study is the beginning element of the Police Station Renewal. The reserve is funded from the proceeds of specific land sales, and there is currently no planned withdrawal from the reserve in 2016/17. The recommended withdrawal does not negatively impact the reserve.

RISK CONSIDERATION

This work will create a report to help direct an important component of the strategic direction of HRP. The risk level in this work is considered low.

COMMUNITY ENGAGEMENT

Community engagement was not undertaken as part of this report as this report relates solely to the procurement of consultant services to review current HRP operations. Their report will provide recommendations as to the optimal placement of police facilities so as to increase both efficiency and effectiveness.

ENVIRONMENTAL IMPLICATIONS

None identified.

ALTERNATIVES

There are no recommended alternatives.

ATTACHMENTS

Appendix A – Evaluation Criteria

A copy of this report can be obtained online at <http://www.halifax.ca/boardscom/SCfinance/index.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Supt. Sean Auld, Halifax Regional Police, (902) 490-5272

Original Signed

Report Approved by: J.M. Blais, Chief of Halifax Regional Police, (902) 490-5570

Financial Approval by: Original Signed
Amanda Whitewood, Director of Finance and Information Technology/CFO, 902.490.6308

Appendix A – Evaluation Criteria

RFP Proponent Scoring

Criteria	Maximum Score	*RPLA	Stantec
Communication Skills	5	4.25	4.50
Team composition and experience	25	21.25	22.13
Understanding of HRM needs	15	11.75	12.75
Business Solution	20	18.00	16.75
Project Management Methodology	5	3.75	4.63
Subtotal (Business Proposal)	70	59.00	60.75
Cost	30	30.00	21.46
Total	100	89.00	82.21
Cost (net HST incl.)		\$202,106.00	\$259,672.00

* Rebanks, Pepper and Littlewood Architects Ltd.