



## CITY OF VANCOUVER

### ADMINISTRATIVE REPORT

Report Date: September 26, 2008  
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VanRIMS No.: 08-2000-20  
Meeting Date: October 14, 2008

TO: Vancouver City Council

FROM: General Manager / Fire Chief, Vancouver Fire and Rescue Services and the Manager of Materials Management

SUBJECT: Award of Contract for RFP #PS08043 - Supply of Consulting Services for a Vancouver Fire and Rescue Services Operations Review

#### *RECOMMENDATIONS*

- A. THAT, subject to the conditions set out in Recommendations B, C and D, Council authorize the General Manager of Vancouver Fire and Rescue Services ("VF&RS") and the Manager of Materials Management to award a contract to the TriData Division of Systems Planning Corporation ("SPC") and its subcontractor Mercury Associates, Inc. to provide consulting services for a comprehensive review of the operations of VF&RS as detailed in RFP #PS08043 and based on the proposal submitted by SPC, at a total cost of \$329,982 plus applicable taxes (less any municipal rebate received); funding provided in the 2008 Operating Budget.
- B. THAT the Director of Legal Services be authorized to execute and deliver on behalf of the City all legal documents required to implement Recommendation A.
- C. THAT all such legal documents be on terms and conditions satisfactory to the Fire Chief, the Manager of Materials Management and the Director of Legal Services.
- D. THAT no legal rights or obligations will be created by Council's adoption of Recommendation A above unless and until such legal documents are executed and delivered by the Director of Legal Services.

### ***GENERAL MANAGER'S COMMENTS***

A detailed evaluation or "operations review" of the provision of fire services in Vancouver will assist staff in ensuring that VF&RS will efficiently and effectively provide the City's fire protection and related emergency services needs. Given the impending replacement of twenty-one front-line fire trucks beginning in 2012, it is an opportune time to review deployment options for delivering fire and rescue services in Vancouver. A comprehensive review by an objective and independent consultant would include measures of effectiveness based on contemporary Fire Service Standards, and the resulting report and recommendations would provide the City with a strategic focus for its Fire and Rescue Services for the future.

### ***CITY MANAGER'S COMMENTS***

*The City Manager recommends approval of the above recommendations.*

### ***COUNCIL POLICY***

Council's policy is to secure contracts for the purchase of equipment, supplies and services that will provide the best value, based on an overall assessment of quality, service and price.

Consulting contracts with a value over \$30,000 are referred to Council.

### ***SUMMARY***

The City wishes to engage the services of an independent consultant to carry out a comprehensive review of the operations of VF&RS. After an analysis of the proposals submitted by five consulting firms who responded to RFP #PS08043, the Project Steering Committee (chaired by the Deputy City Manager) supports awarding a contract to the TriData Division of System Planning Corporation and its subcontractor Mercury Associates, Inc., based on overall best value based on quality, service and price. The total cost of the consultant study is \$329,982 plus applicable taxes (less any municipal rebate received).

### ***PURPOSE***

The purpose of this report is to obtain Council approval to award a contract to TriData Division of System Planning Corporation to supply consulting services for a comprehensive review of the operations of Vancouver Fire and Rescue Services.

### ***BACKGROUND***

Systems Planning Corporation was retained by the City in 1996 to carry out a major resource deployment study of the VF&RS. Council endorsed the results of that study which resulted in significant changes in the types of fire vehicles used to deliver services. It was suggested in that report that a further review be performed after about ten years to re-visit the results of those changes. Another consulting project, completed by Sommers Consulting in 1997, reviewed VF&RS' organizational structure, and recommended a number of changes at the management level. A relatively brief review, as part of the Fire Underwriters Insurance Survey, was carried out in 2002, and resulted in a reduction in Vancouver's Public Fire

Protection Classification from Class 1 to Class 2. Other than those three studies, there has been no recent external examination of VF&RS deployment, operations or organization.

Beginning in 2012, twenty-one pieces of major fire apparatus (14 Quints and 7 Rescues) are scheduled for replacement, providing an opportunity to re-evaluate our deployment. Since it can take up to two or three years to develop specifications, tender, select and take delivery of specialized fire vehicles, completion of this study in 2009 will provide the necessary lead time to make any potential changes to our equipment mix.

Given the need to revisit and update the 1996 deployment study and replace a large portion of the Fire Department's fire apparatus, a full operational review of the Department, including a detailed review of fleet maintenance and management has been initiated. A Steering Committee has been formed to provide guidance and oversight of the project, including definition of the scope of the review. The Steering Committee is chaired by the Deputy City Manager, James Ridge, and includes senior staff representation from Engineering Services, Budgets, and VF&RS. There are also two representatives from Vancouver Firefighters' Union, Local 18 on the Steering Committee. A Working Group, reporting to the Steering Committee, is composed of members from VF&RS, Engineering, Budgets, Business Planning and Services, and the Firefighters' Union.

The City invited proposals (RFP #PS08043) for consulting services to provide a comprehensive and objective management and operations analysis of Vancouver Fire and Rescue Services. The study would assess the deployment of VF&RS resources (including staff, vehicles and equipment), organizational and management structure, Fire Hall locations, emergency response times, equipment types, and review all functional areas (including training, fire prevention, and fire code enforcement). A review of the VF&RS fleet maintenance and management function, and potential synergies with Engineering Equipment Services is a significant component of this project. The detailed description of the overall scope of this proposed review is included in Appendix A.

## *DISCUSSION*

The Request for Proposals ("RFP") for consulting services of the VF&RS operational review was structured to deal with the two discrete parts of the project scope: 1) a Vancouver Fire & Rescue Services Operational Review which will encompass all functions performed by VF&RS; and 2) a VF&RS Fleet Maintenance and Management Review which includes a review of the VF&RS fleet operations.

### **Process**

A RFP for consulting services for an operations review of VF&RS was developed in consultation with Purchasing and Legal Services, and based on input and guidance from a cross-departmental Steering Committee. The RFP was issued on July 4, 2008 and was advertised on the City's Purchasing website, the Vancouver Sun, and on the BC Bid website.

The RFP closed on August 5, 2008, and five proposals were received. The estimated fees including disbursements for the proposals are listed below:

- Proponent 1 (\$329,982).
- Proponent 2 (\$308,950).

- Proponent 3 (\$262,750).
- Proponent 4 (\$254,009).
- Proponent 5 (\$177,400).

## Evaluation

A Working Group was established to review and evaluate the proposals and recommend a proponent to the Project Steering Committee. The evaluation process followed established Materials Management policies and practices and included reviewing the proposals, evaluating and rating the proposals using a pre-determined matrix (project appreciation, work plan, methodology, value added services, and cost), meeting to discuss the proposals and arrive at a consensus, and checking references.

Based on the review of the proposals, the proposal submitted by the preferred proponent emerged as the strongest proposal that represents best overall value to the City. The Working Group recommended to the Steering Committee that the TriData Division of Systems Planning Corporation be awarded this consultancy for services at a total cost of \$329,982 plus applicable taxes (less any municipal rebate received). The Steering Committee unanimously supports this recommendation.

Systems Planning Corporation, in association with Mercury Associates, Inc. (for the fleet review component) has assembled a team of professionals with knowledge and experience in all areas required for this project.

## *FINANCIAL IMPLICATIONS*

The total cost of this project, including disbursements, is \$329,982 plus applicable taxes (less any municipal rebate received). Funding is provided in the 2008 Operating Budget from a combination of the department's consulting budget and the Strategic Initiatives Fund.

## *SOCIAL IMPLICATIONS*

It is expected that potential opportunities will be identified to increase Vancouver Fire and Rescue Services' capability to respond effectively to the wide variety of potential risks present in Vancouver today and the future and may ultimately improve emergency service provision to Vancouver's residents.

## *IMPLEMENTATION PLAN*

It is anticipated that the formal results of this study will be reported to City Council in the second half of 2009. In addition, implementation of any recommendations resulting from the process may be the subject of future reports to Council.

## *CONCLUSION*

Organizational evaluation can be the most critical element of the organization's lifecycle, as it is one way to test if the organization remains true to its' mission and purpose. VF&RS managers frequently self-evaluate various functions of the department, and continually strive to improve VF&RS' performance and resulting value to the citizens of Vancouver. It has now

been over eleven years since VF&RS has been broadly evaluated by an objective and independent party. Therefore, senior fire staff welcomes the opportunity for a more comprehensive and independent review at this time.

Following an RFP process and the evaluation of the five proposals received, the General Manager / Fire Chief and the Manager of Materials Management recommend that a contract for Consulting Services for an Operations Review of VF&RS be awarded to the TriData Division of Systems Planning Corporation and its subcontractor for the fleet maintenance portion of the review, Mercury Associates, Inc. It is staff's opinion that System Planning Corporation's proposal provides the overall best value to the City for the required scope of work.

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## APPENDIX A

The review has been separated for clarity into the "Fire Operations Review" component, and the "Fleet Maintenance and Management Review" component.

### VF&RS Operations Review Scope:

#### Phase I

- a) Review and document existing service levels and current resources (both financial and non-financial).
- b) Benchmark all core services including first-responder emergency medical services against other comparable fire departments, legislated requirements and standards (including relevant NFPA Standards), and provide potential reasons for any differences.
- c) Identify overall resource requirements required to provide current service levels as approved by various City Councils (past and present).
- d) Analyze, document and evaluate deployment or "standards of cover\response" (including but not limited to: fire hall locations, shift scheduling, staffing levels, apparatus type and location, specialty teams and mutual aid considerations).

#### Phase II

- a) Assess, evaluate and provide recommendations for improvement with respect to each of the following areas and functions:
  - i) command, management, and support services structure;
  - ii) fire prevention staffing and delivery;
  - iii) training staffing and delivery;
  - iv) administrative support and delivery;
  - v) emergency first-responder medical services delivery;
  - vi) the use of information technology and identify opportunities for expanded or more effective use;
  - vii) internal and external communications (specific to VF&RS).
- b) Develop a risk assessment model and performance objectives (including specific performance measures) for all core functions.
- c) Identify duplication of services (including possible partnerships, synergies and efficiencies, financial benefits and any resulting capital investment requirements).
- d) Identify opportunities for shared services and the implications on service levels, opportunities for improving service and implementation plans.

#### Phase III

- a) Review and discuss leading edge fire service innovations (from anywhere in the world) which may have local applicability.
- b) VF&RS will be undertaking a significant update of its Strategic Plan (planned for the first quarter of 2009). Any recommendations or changes proposed as a result

of the Operations and Fleet Reviews should be considered in the context of, and linked to, the Strategic Plan.

- c) Prepare overall recommendations relating to all of the above items (including target service level options) and implementation plans, including resource requirements, change management strategies, and the resulting financial requirements. In addition, provide predicted future service levels options based on projected future demands for service.
- d) Prepare report and report summaries and presentation materials for presentations to the Steering Committee, Corporate Management Team and City Council.

### **VF&RS Fleet Maintenance and Management Review Scope:**

City of Vancouver Engineering Services and VF&RS staff currently work together managing the VF&RS fleet. In order to evaluate synergies between the two departments and to determine appropriate staffing levels for the size of the fleet, the scope for this review will include:

#### **Phase I**

- a) Identify and document all vehicles, equipment, infrastructure, staff and facilities associated with the VF&RS Fleet.
- b) Document existing service levels for emergency response fleet operations (including but not limited to equipment and apparatus availability and turnaround time requirements, response for emergency breakdowns, training issues, etc.)
- c) Identify, document and analyze the "current state", (including system constraints and risk exposure). This process should include a review of procurement, outfitting, fuelling, stores/parts, preventative maintenance, repairs, disposal, licensing, registration, data collection and analysis and staff scheduling.
- d) Analyze potential operating efficiencies, synergies, and savings opportunities in efforts to mitigate budgetary, infrastructure and staffing level issues in managing and maintaining the VF&RS fleet. This will be accomplished through the exploration of:
  - i) Using the existing VF&RS fleet maintenance service delivery model.
  - ii) Centralizing VF&RS' component of the City's total fleet maintenance requirements through a shared service fleet delivery model.
  - iii) Outsourcing VF&RS fleet maintenance services.
  - iv) A combination of any of the above options.
  - v) Other service delivery options.
- e) Recommend a service delivery model (based on items i to v above) considering any implications for service levels, risk factors, existing capabilities, capital and operating costs and other consequences.

#### **Phase II**

- a) Rationalize fleet maintenance and management staffing levels and emergency response fleet operations relative to fleet/equipment size and required service

level based on industry standards and/or based on other appropriate identifiable variables.

- b) Assess physical repair facilities including the building and shop infrastructure.
- c) Identify required specialized skills, training and certification requirements for staff who maintain fire equipment.
- d) Review compliance with Provincial statutes and recommend changes to improve both safety and compliance.
- e) Create current state and future process flow charts for items listed in Phase 1 item c.
- f) Review the operating and capital budgeting processes for the VF&RS Fleet to ensure they meet short and long term needs of the fleet and small equipment.
- g) Recommend the design and content of management reports, including performance measures, using current and recommended data sources.
- h) Prepare overall recommendations relating to all of the above items (including target service level options) and implementation plans, including resource requirements, change management strategies, and the resulting financial requirements. In addition, provide predicted future service level options based on projected future demands for service.