

FINANCE AND ADMINISTRATION COMMITTEE – JULY 6, 2011

RFP AWARD – RFP11-001 **VAUGHAN CORPORATE STRUCTURE REVIEW**

Recommendation

The City Manager, the Commissioner of Finance & City Treasurer, the Director of Human Resources and the Manager of Policy Planning, in consultation with the Director of Purchasing Services, recommend:

1. That RFP11-001 for the retention of consulting services to prepare the City of Vaughan Corporate Structure Review, be awarded to the firm Western Management Consultants of Ontario in the amount of \$107,100.00 excluding HST and administration;
2. That the Mayor and Clerk be authorized to execute all necessary documents.

Economic Impact

Funding for the review has been budgeted.

Communications Plan

The Request for Proposal (RFP11-001) was advertised on the City Webpage, the Electronic Tendering Network and on the Ontario Public Buyer's Association Website on May 26, 2011. Members of Council, the respective union presidents and staff have been advised of the RFP process by way of a memo from the City Manager. Further updates will be provided.

Purpose

The purpose of this report is to recommend the award of the RFP for consulting services to prepare City of Vaughan Corporate Structure Review.

Background – Analysis and Options

Background

On July 13, 2010, Council adopted a recommendation from the Audit and Operational Review Committee that a corporate structure review be initiated with an outside consultant to work with the City Manager, Members of Council and the Senior Management Team; and that a report be brought back to Council. Staff has completed the consultant selection process and is recommending that the City proceed with the award of the RFP to Western Management Consultants of Ontario.

The Corporate Structure Review

This is an opportune time to renew the City's corporate organization. In September of 2010 Council adopted the municipality's first comprehensive official plan in 50 years as part of the *Vaughan Tomorrow* growth management program. This will facilitate the next round of infrastructure, population and employment growth that will take the City to 2031. Further, the City has updated the Strategic Plan, Vaughan Vision 20/20, and a new corporate planning process was approved by Council in May 2011. The City is also welcoming two new members to the Senior Management Team. These measures, together with the organizational review, will help shape the City of the future.

The Corporate Structure Review will assess the City's current organizational structure including the current distribution of responsibilities and reporting framework, the impact of future municipal growth taking into account experience in other municipalities, best practices and the direction of the municipal sector in general. It will provide recommendations to the City Manager on the City's future organizational structure and the implementing actions and timelines.

The review will ensure that the City's organizational structure is optimized to deliver exemplary, cost effective public services, meet future challenges and take advantage of opportunities as they emerge in the municipal sector and in the City's next phase of growth. It will provide the City with recommendations that can be implemented in the near term; and recommendations for a desired "end state" that the City will move toward as opportunities present themselves.

The Consultant will be investigating "best practices" and the experiences of other municipalities as part of the assignment. The Consultant will also be drawing on the expertise and experience of the City. As such, the study program will include consultation with Members of Council, the Senior Management Team, Directors and Managers. This will provide critical input about the current organizational structure and position ourselves to achieve the City's strategic goals in a changing world.

The study will take approximately four months to complete and will result in a report to the Finance and Administration Committee in the fall of this year.

The Procurement Process

The Request for Proposal (RFP11-001) was advertised on the City WebPage, the Electronic Tendering Network and the Ontario Public Buyers' Association Website on May 26, 2011. A total of ten (10) documents were issued.

A total of six proposals were received from the following proponents.

Consultant

KPMG LLP
Hamilton, Ontario

Deloitte Inc.
Toronto, Ontario

DPRA Canada Inc.
Vaughan, Ontario

Western Management Consultants of Ontario
Toronto, Ontario

MNP LLP
Toronto, Ontario

ROCG Consulting
Newmarket, Ontario

An Evaluation Committee of City Staff was struck to review the proposals. The Committee included the City Manager, the Commissioner of Finance & City Treasurer, the Director of Human Resources and the Manager of Policy Planning. A representative

from the Purchasing Department provided support with the process and administrative matters.

The Committee evaluated the written proposals on the basis of the criteria set out in the RFP, as summarized below:

Qualifications and Experience: 45%

- Capability of the Consultant Team Leader;
- Degree of Participation of the Consultant's senior staff;
- Qualifications and expertise of the team members;
- Skills consistent with the needs of the project;
- Experience in similar studies;
- Level of public sector experience;
- Experience in the operation of multi-disciplinary organizations;
- Demonstrated success in public/stakeholder consultation; and the quality of the proposed consultation plan.

Quality of the Proposal: 20%

- Complete and comprehensive submission;
- Demonstrated understanding of the project requirements;
- Organization and clarity of presentation;
- Introduction of innovative ideas and concepts;
- Skill in communicating the project plan and innovative ideas and concepts.

Project Management: 25%

- Work program and scheduling of major milestones and meetings;
- Timelines consistent with study requirements;
- Approach to reporting and invoicing;
- Monitoring of budget;
- Appropriate allocation of resources to various phases or study tasks.
- Ability to commit to the timing objectives for the completion of the study;

Financial: 10%

- Proposal Fee

As a result of the evaluation of the written proposals, the Committee determined that the following three firms should be interviewed: KPMG LLP; Western Management Consultants of Ontario; and MNP LLP. The RFP provided that a bonus of up to 25 points could be awarded as a result of the interviews. The three firms were interviewed on June 15, 2011.

The Recommended Consultant

Based on the evaluation process, including consideration of the written proposals, the interviews and a positive reference check, it is recommended that the highest scoring consultant, Western Management Consultants of Ontario, be retained to prepare the City of Vaughan Corporate Structure Review.

Western Management Consultants was found to have the skills and experience best attuned to the needs of this review. It has recently undertaken similar studies for the

Region of Niagara, the City of Edmonton and City of Kitchener. The core consulting team assigned to the review is made up of senior staff of the firm, at the Director level, all of whom have more than 25-years in management consulting and the range of expertise necessary to conduct the review.

Relationship to Vaughan Vision 20/20

The preparation of the Corporate Structure Review will support the City's mission of "Citizens first through Service Excellence" through the promotion of Organizational Excellence including:

- Ensure a High Performing Organization;
- Manage of Corporate Assets;
- Ensuring Financial Sustainability; and
- Manage Growth and Economic well-being.

Regional Implications

There are no Regional implications resulting from the adoption of this report.

Conclusion

Based on the evaluation of the written proposals, the subsequent interviews and reference checks, Western Management Consultants of Ontario were found to have the experience and expertise that best addressed the requirements of the Request for Proposal. Therefore, it is recommended that Western Management Consultants of Ontario be retained to undertake the preparation of the City of Vaughan's Corporate Structure Review.

Attachments

N/A

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Respectfully submitted,

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