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EXTENSION OF CONTRACT P-10-97 PROJECT MANAGEMENT CONSULTING SERVICES FOR A COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM

The Transportation Services Committee recommends the adoption of the recommendation contained in the following report dated January 24, 2013, from the Commissioner of Transportation and Community Planning.

1. RECOMMENDATION

It is recommended that:

1. Council approve an increase in scope to Stantec Consulting Limited's assignment, to provide a consultant project manager for an additional six months, thereby increasing the assignment from \$374,400 to \$478,920, excluding taxes.

2. PURPOSE

This report seeks Council authorization to increase Blanket Purchase Order Number B00012254 to extend the term for a consultant project manager to support the implementation and commissioning of a Computerized Maintenance Management System.

3. BACKGROUND

A Computerized Maintenance Management System has been identified as a critical element of an asset management plan

A Computerized Maintenance Management System was identified as a critical element of an asset management plan in the Asset Management and Service Delivery Strategy Study completed for the Region in 2009. Asset management is also a key driver as part of the strategic priority to "Deliver and Sustain Critical Infrastructure" in the 2011 to 2014 Strategic Plan.

The system will assist in the management of more than \$2 Billion in Regional transportation assets

The Transportation and Community Planning Department (including Roads, Transit, Traffic Management & Intelligent Traffic Systems branches) and the Forestry & Natural Heritage branch of the Environment Services Department manage over \$2 billion in

tangible capital assets. A Computerized Maintenance Management System is required to replace the current paper based maintenance system.

The system will improve the quality of asset data and will track asset maintenance activities and costs. The data collected through the system will also allow for improved forecasting of maintenance requirements to ensure the right dollars are spent at the right time on the right assets. The Computerized Maintenance Management System will integrate service requests, work orders and time sheets to track asset maintenance activities on a daily basis.

The implementation of the Computerized Maintenance Management System is currently underway

The implementation of the Computerized Maintenance Management System is underway and is scheduled to be fully implemented by the fall of 2013. The system is being acquired at a cost of \$1.4M.

A consultant Project Manager with expertise in the development of asset management systems was retained to assist in the procurement and implementation

The development of the Computerized Maintenance Management System is complex as it requires integrated knowledge of software development, Geographic Information Systems (GIS), payroll (Corporate Finance), asset maintenance activities, and roads maintenance practices. Expertise in the development of computerized asset management systems was not available internally. As a result, a consultant project manager was retained to lead the procurement and implementation of the Computerized Maintenance Management System. It also made sense to retain an external project manager since the need for the role is only temporary to support the procurement and implementation phases of the assignment.

Stantec Consulting Ltd. (Stantec) was engaged in July 2010 through a competitive selection process to provide the services of a senior consultant as a project manager. The duration of the assignment was twenty-four months for the amount of \$374,400, excluding taxes.

Expansion of the scope of the Computerized Maintenance Management System to include other branches delayed the start of the project by 6 months

The project manager was originally retained to develop and implement the Computerized Maintenance Management System for only the Roads branch. For this original scope staff had estimated that acquiring and implementing the system would take approximately two years.

After the project manager was retained, it was decided to also incorporate the assets of three other branches in the Computerized Maintenance Management System including: Transit, Traffic Management & Intelligent Transportation Systems and Natural Heritage & Forestry. The inclusion of the other branches delayed the project start by 6 months as additional information was gathered for inclusion in the Request for Proposal to acquire and implement the Computerized Maintenance Management System.

4. ANALYSIS AND OPTIONS

The services of a consultant project manager are required for the remainder of the Computerized Maintenance Management System implementation

The consultant project manager's role is vital to lead the development and implementation of the Computerized Maintenance Management System project and to keep the project on schedule for the planned fall 2013 implementation across each of the identified branches.

It is recommended that Stantec Consulting's assignment to provide a consultant project manager be extended by six months to coincide with the completion of the implementation phase of the project. This extension will cover the implementation phase. The handover phase will be managed by Regional staff.

Table 1
P-10-97 Stantec Consulting Ltd. Professional Fee

Rates	Total Cost
Current 2-year Contract	\$374,400
Proposed 6 month Extension	104,520
Total Contract Cost	\$478,920

The current contract with Stantec is based on a 2010 per diem rate of \$1,200/day. The proposed extension is based on a negotiated 2013 per diem rate of \$1,340/day, an increase of 12% over 3 years. Considering the specialized nature of the project and the technical expertise and experience of the project manager, staff consider the rate increase to be fair and reasonable for the six month extension.

The use of a consultant project manager eliminated the need for a full-time Asset Management Coordinator which was identified in the 2012 budget

By utilizing the contracted services of a consultant project manager, the Transportation and Community Planning Department was able to eliminate the need for a full-time Asset Management Program Manager which was approved in the 2012 budget. The reorganization of the department allows for the Computerized Maintenance Management System to be managed internally once it is successfully developed and implemented.

5. FINANCIAL IMPLICATIONS

The funding for this program has been included in the 2013 budget

There are sufficient funds in the 2013 Roads Capital Budget to cover the additional service. All expenditures for this project are funded 100% from Tax Levy.

6. LOCAL MUNICIPAL IMPACT

The Computerized Maintenance Management System will improve asset management to ensure Regional infrastructure is maintained in a state-of-good repair to the benefit of all residents.

7. CONCLUSION

The objectives of this project are aligned with the priorities in the Corporate Strategic Plan, specifically as it relates to the area of asset management. This report recommends extending contract P-10-97, Project Management Consulting Services – Roads Asset Management Strategy, for Stantec Consulting Limited for six months until August 2013. Extending the contract for the services of a consultant project manager will ensure successful delivery of the Computerized Maintenance Management System.

Transportation and Community Planning staff recommend increasing the total price of the assignment from \$374,400 to \$478,920 plus applicable taxes.

For more information on this report, please contact Brian Titherington, Director Roads at Ext. 5901.

The Senior Management Group has reviewed this report.