

THE REGIONAL MUNICIPALITY OF YORK

**REPORT NO. 7
OF THE REGIONAL COMMISSIONER OF COMMUNITY SERVICES
AND HOUSING**

**For Consideration by
The Council of The Regional Municipality of York
on October 27, 2005**

**1
AWARDING OF CONTRACT FOR BUILDING CONDITION ASSESSMENTS**

(Regional Council at its meeting on October 27, 2005, referred the following report to private session for the receipt of legal advice and subsequently adopted in public session.)

1. RECOMMENDATION

It is recommended that:

1. Council approve the awarding of a contract in the amount of \$193,670 to The Stonewell Group Inc. for Building Condition Assessments and related Replacement Reserve Studies for 66 projects in the Social Housing Portfolio.

2. PURPOSE

The purpose of this report is to request approval for the awarding of a contract to conduct Building Condition Assessments and related Replacement Reserve Studies for projects in the Social Housing Portfolio.

3. BACKGROUND

In 2001 the Province transferred responsibility for social housing administration to 47 Consolidated Municipal Service Managers (CMSMs), including York Region. Several

months prior to the transfer the Region hired an external consultant to determine the physical condition of these social housing properties and conduct an analysis of the projects' replacement reserves.

These inspections and related analysis indicated that most projects had inadequate reserves, and that over the next 30 years there would be a need to significantly supplement these reserves.

The continuing value of social housing assets to the Region is dependent on ensuring these properties are safe, efficient in their operation, and meet legislated capital standards. It is a recognized best property management practice to update building condition assessments every 3-5 years. The results of these assessments and analysis will be used for a variety of purposes including:

- Updating potential shortfalls in replacement reserves and potential financial impacts to the Region.
- A reference point for Housing York Inc. and third party non-profit housing providers to better plan future capital requirements.
- The base of a broader based mitigation strategy whereby the information could be used to allow the Region to advise non-profit housing providers on matters of procurement, technical solutions, and preventative maintenance programs

The Region released a Request for Proposals in early August 2005 regarding updating Building Condition Assessments and related Replacement Reserve studies for 66 social housing projects owned or administered by the Region.

Proposals were due September 2005. Eleven companies responded with proposals.

Section 7.12 of the Region's Purchasing By-law indicates that the Chief Administrative Officer may award contracts in an amount less than \$500,000 where respondents receive the highest overall score and have the lowest price amount. The Evaluation Committee in this case is recommending a respondent with a price that is not the lowest, necessitating an approval from Council (Section 18.1 e)).

4. ANALYSIS AND OPTIONS

4.1 The Evaluation Process

Supplies and Services Department staff attended the evaluations acting in the capacity of facilitator of the process. Representatives from Housing Services Division and Policy, Risk and Treasury Division evaluated the proposal in a two-stage process according to the following criteria:

- Demonstrated experience and credentials.
- Relevant experience on similar projects.
- References.

- Responsiveness and completeness of the submission.
- Demonstrated understanding of regional requirements.
- Innovation of solution offered (value added).
- Ability to meet project timetable/deadlines.
- Approach and methodology.
- Price.

The initial evaluation was conducted individually by the members of the Evaluation Committee. The Evaluation Committee as a whole then performed a secondary evaluation in order to arrive at a consensus based on the proposal documents submitted by the proponents. The results of the evaluation are shown in Table 1.

Table 1
Evaluation Summary

Firm(s)	Total Score Without Price	Total Score With Price	Total Price (incl. GST & PST)
The Stonewell Group Inc.	71.8	81.1	\$193,670.00
Gerald R. Genge Building Consultants Inc.	63.5	76.1	\$143,423.00
Construction Control Inc.	62.0	71.1	\$198,752.00
AMEC Earth and Environmental	55.5	65.1	\$188,213.00
Jacques Whitford Limited	44.0	64.0	\$90,629.00
Inspec-Sol Inc.	51.0	59.6	\$211,860.00
WGA Wong Gregersen Architects Inc.	46.5	51.9	\$338,762.00
IRC Building Sciences Group Inc.	45.5	50.1	\$395,151.00
Morrison Hershfield Limited	38.0	43.9	\$309,230.00
SNC-Lavalin ProFac Inc.	26.5	30.5	\$450,000.00
DalForr Engineering & Project Management Inc.	8.0	20.9	\$140,337.00

4.2 Recommended Proponent

The Stonewell Group is acting as a lead for a consortium of three companies. The Stonewell Group has extensive experience in the field of social housing. The Group has been retained by 20 CMSMs and over 500 housing providers to date across Ontario for assignments similar to the one under consideration. They were also instrumental in writing the capital planning material currently used by the Social Housing Services Corporation Financial Inc. (SHSCFI), the Ontario Non-Profit Housing Association (ONPHA) and the Co-operative Housing Federation (CHF).

The Evaluation Committee felt that the group has demonstrated a sensitivity and understanding of the relational issues involved in this complex project. They have experience working with CMSMs such as Peel, Kingston, Thunder Bay and Durham.

They have experience dealing with non-profit managers and tenants. This is extremely important, as the Region plans to use the reports as part of an overall mitigation strategy to manage overall capital expenditures across the portfolio. This mitigation strategy depends greatly upon cooperation with private non-profit and co-operative service providers. The tone from the beginning of the process must be positive and reassuring.

The other two companies involved in the proposal, Buchan, Lawton, Parent, and the Greer Galloway Group are well established firms. The Greer Galloway Group completed the technical review for the Stonewell projects noted above.

The three groups have a wide range of technical and professional staff available to review all components of building systems. The Greer Galloway Group alone has access to nearly 85 staff members. This was important to the Evaluation Committee as it is acknowledged that the deadline for completing the work is tight, and the chosen firm should have resources to fall back upon if it becomes necessary. Much of the external review work must be done before possible snow fall. As well, the budget to complete this work is in the 2005 Operating Budget.

5. FINANCIAL IMPLICATIONS

This project is part of the approved 2005 Budget Plan.

6. LOCAL MUNICIPAL IMPACT

There are no local municipal impacts associated with this report.

7. CONCLUSION

The Stonewell Group is expected to deliver an excellent product within the timeframe required by the RFP. The firms involved have excellent track records with social housing providers. Completion of this project will position the Region to develop more effective mitigation strategies to address capital deficiencies in the Social Housing Portfolio

The Senior Management Group has reviewed this report.

Respectfully submitted,

**October 27, 2005
Newmarket, Ontario**

**J. Simmons
Commissioner of Community Services
and Housing**

(Report No. 7 of the Commissioner of Community Services and Housing was adopted, without amendment, by Regional Council at its meeting held on October 27, 2005.)