



REQUEST FOR PROPOSALS No. 19-008

Regional District of Nanaimo Maintenance and Vehicle Asset Review

ISSUED: March 28, 2019

CLOSING DATE AND TIME:

Submissions must be received at the Closing Location on or before:
3:00 PM (15:00 hrs) Local Time on April 18, 2019

Regional District of Nanaimo (RDN) Contact for Questions:

Darren Marshall
Manager, Transit Operations
250-390-6516
dmarshall@rdn.bc.ca

Questions are requested at least five (5) business days before the closing date to allow enough time to respond.

Proposals will not be opened in public



Instructions to Proponents

Closing Date/Time/Location

Submissions must be received at the closing location on or before 3:00 PM (15:00 hrs), Local Time, on **April 18, 2019**. Select one (1) of the Submission Methods below:

1. By Email: With "19-008 RDN Maintenance and Vehicle Asset Review" as the subject line at this electronic address:
dmarshall@rdn.bc.ca
Please note: Maximum email file size limit is 15MB, or less.
2. By hand/courier delivery: One (1) copy of the Proposal along with one (1) electronic copy of the Proposal on a USB stick should be enclosed and sealed in an envelope clearly marked: "19-008 RDN Maintenance and Vehicle Asset Review" delivered to the:

Regional District of Nanaimo
Main Reception – 2nd Floor
6300 Hammond Bay Road
Nanaimo, B.C., V9T 6N2
Attention: Darren Marshall Transportation & Emergency Services

Should there be any differences between the hard copy and the electronic copy, the hard copy will prevail.

Proposals received by facsimile are not accepted.

Amendment to Proposals

Proposals may be amended in writing and sent via email at dmarshall@rdn.bc.ca prior to the closing date and time. Such amendments should be signed by the authorized signatory of the Proponent.

Addenda

If the RDN determines that an amendment is required to this RFP, the RDN will post the Addendum on the RDN (www.rdn.bc.ca) and BC Bid (www.bcbid.gov.bc.ca) websites. Each addendum will be incorporated into and become part of the RFP. No amendment of any kind to the RFP is effective unless it is contained in a written addendum issued by the RDN. It is the sole responsibility of the Proponent to check and ensure any and all amendments are included prior to submitting their final Proposal submission.

Withdrawal of Proposals

The Proponent may withdraw their Proposal at any time by submitting a written withdrawal email to dmarshall@rdn.bc.ca prior to the closing date and time.

Unsuccessful Vendors

The District will offer debriefings to unsuccessful Proponents, on request, at a mutually agreeable time.



1.1 INTRODUCTION

The RDN is requesting Proposals for the development of a Fleet Services Optimization Program. The objective is to compare fleet management processes with best practices and identify areas of improvement opportunities. The RDN is seeking a qualified consultant to provide leadership and demonstrate expertise, proficiency and innovation in fleet management processes, systems, best practices policies and procedures. The Terms of Reference covers a broad spectrum of deliverables, which on the face of it may reduce eligibility of potential responders; evaluation preference will be given to those responses that can perform the highest number of deliverables with provision for potential alternatives in any areas that may not be able to be covered as requested.

The available budget for this assignment is \$35,000 & GST. The work is to be completed before the end of **November 2019**.

2.1 GENERAL BACKGROUND

The Transportation Department maintains the RDN's fleet of vehicles, fire trucks, and heavy equipment. The RDN's fleet encompasses approximately 160 assets including dump trucks, crane trucks, pickup trucks, loaders, backhoes, fire pumper trucks, and passenger vehicles over a large geographical area on Central Vancouver Island. The management and maintenance processes of all licensed vehicles are to be included in this review. The Transportation Department is experienced in successfully completing performance improvement initiatives; it recently received a Green standard through the BC Transit Fleet Program due to a high level transit fleet management. Further the RDN created a 'Plug-in Hybrid Electric Vehicle' policy and will be made available to the successful Proponent.

Maintenance policies are managed by the Regional District's Corporate Leadership Group and implemented by the departments. The RDN has two (2) maintenance facilities with eight (8) to ten (10) bays and 12 technicians that perform the preventive maintenance, repairs and outsourcing to local service providers.

3.1 OVERVIEW OF THE REQUIRED SERVICES

The RDN Fleet Services is responsible for managing; maintaining, repairing, keeping records for, and preparing vehicles for sale that are operated by various RDN departments. These services are delivered throughout the RDN and review of the effective and economical management of the RDN's fleet is needed to develop overarching asset management. Standardized and centralized practices should be defined and adopted in order to ensure continuity. This project is required to conduct a review of the RDN's fleet maintenance and management practices to gain system efficiencies and bring the Department closer to best practices.

The RDN departments currently don't use Computer Maintenance Management System (CMMS) to track work orders, other than BC Transit assets. Most department staff is unaware of scheduling and software that is available on the market.



For example, the current preventative maintenance process is based on a manual schedule developed by the Transit Shop Chargehand and Regional Landfill Mechanic and Assistant Mechanic. The garage administrative staff does not create work orders on a program, nor do they track mileage for service. The RDN would like to move away from paper based work management processes or handwritten calendars and envision implementing computer stations in the garage at all maintenance facilities.

The current method also limits the ability to manipulate data. The current reporting method does not meet the Department's analytical needs related to management decision making. This requires managing and interfacing the any other systems in the RDN. The Department's cost tracking mechanism is in good order but should be reviewed for efficiencies. As the Fire Departments become more integrated into the RDN a process will need to be created for each unit vehicle. The consultant is required to conduct an analysis of the fleet management functionality within the RDN and make recommendations for its optimization and/or alternative solutions/best practices. Ideally, the RDN would like the ability to track and manage the following information in its fleet management system:

- Track equipment (record year, make, model, warranty, VIN numbers, GVW, vehicle components, parts specification, etc.)
- Track mileage/usage of equipment
- Track and produce maintenance work done on equipment, including third party repairs
- Track preventative maintenance schedule and effectiveness
- Track and estimate replacement cost and produce replacement schedule
- Track history, fuel costs, accidents, meter readings, insurance including registration number
- Provide financial information
- Manage/track loss and profit making equipment
- Manage charge out rates, monthly and hourly rates
- Manage/ track fuel transfers
- Work order statuses
- Service component that advises departments of work completed.
- Scheduling of staff, tracking training, certifications, expirations and skill sets.
- Provide near real time information on repairs undertaken
- Support multiple users including individual technician workstations

4.1 GOALS OF THE FLEET SERVICES OPTIMIZATION PROGRAM

The Goals of the Fleet Services Optimization Program are:

- To improve fleet software functionality and usage patterns,
- To improve fleet management business processes so they reflect best practices, and reduce or eliminate manual processes and to meet the needs of future growth
- To improve fleet report in support of decision-making, and
- To implement succession planning measures.



5.1 GENERAL REQUIREMENTS

OVERVIEW / SCOPE OF WORK

The Fleet Management Consultant will be expected to determine the most efficient manner in which to provide, manage and operate the RDN's fleet to support its major operations. The Proponent shall review and analyze the following areas:

- Procurement Processes & Policy, including vehicle specifications
- Replacement Policy review
- Lifecycle cost analysis
- Disposal programs for excess or obsolete vehicle
- Fleet equipment charging
- Fleet downtime
- Fleet utilization (or inactivity) rates
- Maintenance operations
- National safety code compliance and inspection
- Fuel Management
- Operating costs; including repairs, parts management, warranty programs/claims, accident/damage, and custom equipment accessories.
- Records and documentation
- Maintenance management
- Preventative maintenance programs & schedules system.
- Operator feedback
- Performance & process gap analysis
- Staff training needs assessment
- Computer access for the mechanics work order processing
- Insurance costs and licensing requirements

The Proponent is also expected to make recommendations on fleet maintenance software to support current requirements and future needs. Actual system programming and configuration or other software implementation is not within the scope of this study.

6.1 DELIVERABLES/ACTION ITEMS

At a minimum, the following activities are expected to produce the required deliverables:

Activity 1 - Project Start up Meeting

At the start of the project, the Proponent will be required to meet with the RDN to gain an understanding of fleet operations, concerns, policies and procedures. The RDN will provide all available fleet data and written documentation necessary to understand the fleet operations. This may include the RDN's fleet operations budget, financial records, organizational charts, inventory of vehicles, policies and procedures, productivity data, etc.,.

Activity 2 - On Site Assessment



The Proponent must schedule time to provide an on-site assessment. The Proponent will have access to, and is expected to schedule time to spend on-site with fleet maintenance, finance, corporate services and appropriate staff. The Proponent will tour the RDN's fleet facilities to document and examine shop tools, inventory and equipment. The Proponent will analyze workflow patterns to determine if there are areas that are affecting the productivity of fleet staff. The Proponent will review administrative and field processes including, but not limited to: review of administrative processing systems, work order system, technology, productivity, staffing, inventory management, key policies, etc. The Proponent will be expected to identify strategic and tactical gaps, isolate best practices, identify areas of opportunity and communicate findings.

Activity 3 - Review Fleet Program Needs with RDN Fleet users. An important measure of fleet performance is user satisfaction. Therefore, The Proponent will interview representatives from RDN departments that utilize fleet services to determine their level of satisfaction and program needs.

Activity 4 - Perform a Cost Competitive Analysis. The Proponent will assess current fleet costs and workload data. The goal of this activity is to determine the cost competitiveness of fleet services. The Proponent will review current shop labour rates and markups and the methodology used to compute them. Where possible The Proponent will compare shop labour rates with other similar Regional Districts. As part of this phase, the Proponent will estimate current shop productivity levels relating to wrenching hours versus non-wrenching hours and calculate the productivity or billable hour standard which can also be compared with industry leaders.

Activity 5 – Review and Evaluate the preventive maintenance and repair program, shop operations, parts inventory control and parts services, fuel systems, use of fleet management information system, invoicing systems, and use of contracting out/consolidation of services.

Activity 6 - Review and Evaluate Fleet Utilization levels The Proponent will assess and recommend an appropriate method of measuring vehicle and equipment utilization, with an emphasis on 'right-sizing' the fleet to support acquisition and disposal policies.

Activity 7 – Review and Evaluate the Fleet Asset and Replacement Program. The Proponent will assess the existing method of financing the operation and capital replacement of the fleet, including the rate chargeback methodology and vehicle/equipment replacement program to include:

- a) Determining if existing funding levels provide a framework for proper, long-range replacement funding and a methodology to support it.
- b) Ensuring that the current rate and chargeback structure includes all fleet costs and that the methods used to allocate program costs to costs centers are equitable.
- c) Determining if replacement cycles are appropriate and how the RDN performs retain/replace/repair analysis of vehicles and equipment that are candidates for replacement.
- d) Determining if and how life cycle costs are used in the acquisition and selection process.
- e) Determining if the methods used to dispose of vehicles and equipment are both timely and brings the best rate of return.



- f) Determine what improvements can be made by implementing computer access for the mechanics.

Activity 8 - Report Results

Once the study is complete, the consultant will submit a draft written report with its findings and recommendations and make a presentation of the report to RDN staff and answer any questions. If needed, the consultant will then make any changes necessary and finalize the report and provide a copy to the Manager of Operations, Engineering Division, RDN Project deliverables will include:

- Three bound copies, one unbound copy and digital files of all reports
- The report should be supplemented with appendices related to the analysis, interview notes, presentations, etc.

7.1 RDN INVOLVEMENT

The RDN will establish a project Steering Committee chaired by the RDN's Manager of Transit Operations. The Steering Committee will ensure that project recommendations align with other RDN initiatives and strategies underway as well as corporate goals. It will be composed of representatives from the Operations Department, Finance Department, and other departments whose involvement is deemed necessary for the long-term success of the program.

The RDN encourages the Proponent to utilize other RDN staff over the course of the project in order to gain direct input on current systematic issues, elicit all relevant functional requirements, promote staff ownership of the program, and increase fleet management knowledge. The Proponent shall specify how they expect RDN staff to be involved throughout the project.

8.1 MONTHLY PROGRESS REPORTING

The Proponent shall, at the end of each month, review progress against the project plan and provide a brief progress report to the RDN highlighting any variances, the reasons for the variation, and the remedial action required.

9.1 PROPOSAL SUBMISSION AND EVALUATION

Please include with your proposal:

- corporate qualifications and experience.
- three (3) of your most recent similar project references complete with contact information.
- project leader, team and breadth of experience
- approach and methodology including timeline and milestones
- project management process to assure quality
- comprehensive proposed lump sum fee including any travel and disbursements



Proposals will be evaluated on the following basis 60% Technical, 40% Financial.

Proposals submitted should be in enough detail to allow the RDN to determine the Proponent's qualifications and capabilities from the documents received. Every effort should be made to include complete details of the proposed work. The selection committee, formed at the RDN's sole discretion, will score the Proposals in accordance with the criteria provided.

The selection committee may proceed with an award recommendation and/or the RDN may proceed to enter into negotiations with the highest evaluated Proponent with the intent of developing an agreement. If the parties after having bargained in good faith are unable to conclude a formal agreement, the RDN and the Proponent will be released without penalty or further obligations other than any surviving obligations regarding confidentiality and the RDN may, at its discretion, contact the Proponent of the next best rated Proposal and attempt to conclude a formal agreement with it, and so on until a contract is concluded.

The RDN reserves the right to award the assignment in whole or in part or to add or delete any portion of the work.

Throughout the evaluation process, the selection committee may seek additional clarification on any aspect of the Proposal to verify or clarify the information provided.

10.1 PROPOSED PURCHASE CONTRACT

Proponents need to identify any specific provisions contained in the attached draft contract which it is unwilling or unable to comply and suggest replacement language prior to the closing date and time for the RDN's consideration. Any accepted changes will be issued as an addendum. Otherwise, vendors agree to the draft agreement as is.

11.1 GENERAL CONDITIONS

(a) NO CONTRACT

By submitting an RFP and participating in the process as outlined in this RFP, the Proponent expressly agree that no contract of any kind is formed until a fully executed contract is in place. Proponents are responsible for all costs in preparing their proposal and any subsequent meetings and negotiations required to get an agreement in place.

(b) PRIVILEGE CLAUSE

The lowest or any proposal may not necessarily be accepted.

(c) RIGHT OF THE RDN TO CANCEL THE RFP PROCESS

The RDN is not bound to select a preferred Proponent or accept any Proposal and reserves the right in its sole discretion to cancel this RFP, up until award, for any reason whatsoever including budget and to proceed with the Services in some other manner separate from this RFP process.



(d) CONFLICT OF INTEREST

Proponents shall disclose in their Proposal any actual or potential Conflict of Interest and existing business relationships it may have with the RDN, its elected officials, appointed officials or employees.

(e) SOLICITATION OF BOARD MEMBERS AND RDN STAFF

Proponents and their agents will not contact any member of the RDN Board or RDN Staff with respect to this RFP, other than the RDN Contact named in this document.

**REGIONAL DISTRICT OF NANAIMO
CONSULTING SERVICES AGREEMENT**

THIS AGREEMENT made the _____ day of **<insert month>**, 20__.

BETWEEN:

REGIONAL DISTRICT OF NANAIMO
6300 Hammond Bay Road
Nanaimo, BC
V9T 6N2

(hereinafter called the "Regional District")

AND:

<Insert Company/Individual Name>
<Insert Street Address>

(hereinafter called the "Consultant")

NOW THIS AGREEMENT WITNESSETH:

THAT in consideration of the terms, conditions and covenants hereinafter set forth, the Regional District and the Consultant covenant and agree each with the other as follows:

1. Appointment

The Regional District retains the Consultant to provide the Services (herein called the "Services") described in Schedule 'A' which is attached hereto and forms part of this Agreement.

2. Term

The Consultant will provide the Services during the period (hereinafter called the "Term") commencing on **<insert date>** and ending on **<insert date>**, unless sooner terminated as hereinafter provided.

3. Payment

The Regional District will pay to the Consultant, for the Services, the amount, in the manner and at the times set out in Schedule 'B' attached hereto. The Consultant agrees to accept the amount as full payment and reimbursement. No additional amounts may be charged by the Consultant.

4. Independent Contractor

The Consultant will be an independent contractor and not the servant, employee or agent of the Regional District. The Consultant is not, and must not claim to be the Regional District's agent for any purpose unless the Regional District gives the Consultant authorization in writing to act as the Regional District's

agent for specific purposes that are reasonably necessary to the Consultant's rendering of the Services pursuant to this Agreement.

5. Assignment and Sub-contracting

Unless already approved by the Regional District, the Consultant will not, without the prior written consent of the Regional District, assign or subcontract this Agreement or any portion thereof.

6. Ownership of Documents and Confidentiality

6.1 Title. The title, property rights, moral rights and ownership in and to all present and future materials and information produced or prepared by the Consultant pursuant to this Agreement including but not limited to plans, drawings, specifications, computer discs, listings, computer software and any other material or physical item on which information is stored shall vest in the Regional District without any payment by the Regional District therefor.

6.2 Patent and Copyright. The title, property rights, moral rights and ownership in and to all copyright in all present and future literary or artistic works including, but not limited to, computer programs and software, plans, drawings and specifications and the title, property rights and ownership in and to all patent rights in any invention developed during the course of or out of providing the Services shall vest in the Regional District without any payment by the Regional District therefor.

6.3 Further Assurances. The Consultant shall upon request by the Regional District, do all such things and execute and deliver to the Regional District all such documents and instruments as the Regional District shall reasonably require in order to vest title, property rights and ownership in the Regional District and the Consultant shall execute and deliver all such assignments, documents and instruments as may, in the Regional District's opinion, be necessary or desirable for the application or the issuance of any patents, designs or the registration of any copyright.

7. Conflict

The Consultant shall not, during the term, perform a service for or provide advice to any person, firm or corporation where the performance of the service or the provision of the advice may or does, in the reasonable opinion of the Regional District, give rise to a conflict of interest between the obligations of the consultant to the Regional District under this Agreement, and the obligations of the Consultant to such other person, firm or corporation.

8. Indemnity

The Consultant shall release, indemnify and save harmless the Regional District, its elected officials, officers, and employees of and from all claims, costs, losses, damages, actions, causes of action, expenses and costs arising from any error, omission or negligent act of the Consultant, or its officers, employees, agents or consultants, in the performance of the Services, or from the Consultant's breach of this Agreement.

9. Insurance

Comprehensive General Liability in an amount not less than two million dollars (\$2,000,000.00) inclusive per occurrence against bodily injury and property damage. The Regional District is to be added as an additional insured under this policy, is to be endorsed to provide the Regional District with 30 days advance written notice of cancellation or material change, and include a cross liability clause.

10. Termination

Notwithstanding any other provision of this Agreement:

- a) If the Consultant fails to comply with any provision of this Agreement, then, and in addition to any other remedy or remedies available to the Regional District, the Regional District may, at its option, terminate this Agreement by giving written notice of termination to the Consultant.
- b) Either Party may terminate this Agreement at any time upon giving the other Party seven (7) days notice of such termination.

If either such option is exercised by the Regional District, the Regional District will be under no further obligation to the Consultant except to pay the Consultant such amount as the Consultant may be entitled to receive, pursuant to Schedule 'B', for services provided and expenses incurred to the date the said notice is given or delivered to the Consultant. The Consultant will refund to the Regional District any payment already made to the Consultant not yet earned.

11. Prior Dealings

All prior negotiations and agreements between the parties relating to the subject matter of this Agreement are superseded by this Agreement. There are no representations, warranties, understandings or agreements other than those expressly set forth in the Agreement or subsequently agreed to in writing, which writing shall be executed by a duly authorized officer of the party to be bound thereby.

12. Waiver

The failure of either party at any time to require the other party's performance of any obligation under this Agreement shall not affect the right to require performance of that obligation in the future. Any waiver by either party of any such breach or any such provision hereof shall not be construed as a waiver or modification of this provision itself, or a waiver or modification of any other right under this Agreement.

13. Counterparts

This Agreement may be executed in counterparts with the same effect as if both parties had signed the same document. Each counterpart shall be deemed to be an original. All counterparts shall be construed together and shall constitute one and the same Agreement.

14. Dispute Resolution

If the parties to this Agreement are unable to agree on the interpretation or application of any provision in the Agreement, or are unable to resolve any other issue relating to this Agreement, the parties agree to the following process in the order it is set out:

- a) the party initiating the process will send written notice to the other party (the “Dispute Notice”); and;
- b) the parties will promptly, diligently and in good faith, including the senior management of both parties, take all reasonable measures to negotiate an acceptable resolution to the disagreement or dispute.
- c) if the dispute is not resolved through collaborative negotiation within 30 Business Days of the dispute arising, the parties must then attempt to resolve the dispute through mediation under the rules of the Mediate BC Society and will be held in Nanaimo, BC.

15. Freedom of Information

The Consultant acknowledges and agrees that any Confidential Information disclosed by it to the RDN under this Agreement may be subject to a request for public disclosure under the Freedom of Information and Protection of Privacy Act, R.S.B.C. 1996, c.165, as amended from time to time.

16. Collection of Personal Information

Unless the Agreement otherwise specifies or the Regional District otherwise directs in writing, the Consultant may only collect or create Personal Information that is necessary for the performance of the Consultant’s obligations, or the exercise of the Consultant’s rights, under the Agreement.

Unless the Agreement otherwise specifies or the Regional District otherwise directs in writing, the Contractor must collect personal information directly from the individual the information is about.

Unless the Agreement otherwise specifies or the Regional District otherwise directs in writing, the Contractor must tell an individual from whom the Contractor collects personal information:

- a) the purpose for collecting it;
- b) the legal authority for collecting it; and
- c) the title, business address and business telephone number of the person designated by the Regional District to answer questions about the Contractor’s collection of personal information.

17. Governing Law

This Agreement is governed by, and is to be interpreted and construed in accordance with, the laws applicable in British Columbia.

18. Miscellaneous

All provisions of this Agreement in favour of the Regional District and all rights and remedies of the Regional District, either at law or equity, will survive the expiration or sooner termination of this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement the day and year first above written.

For the Regional District of Nanaimo:

_____)
)
)

Printed Name of Signatory

_____)
)
)

< insert position title >

For the Consultant:

_____)
)
)

Printed Name of Signatory

_____)
)
)

< insert position title >

**SCHEDULE 'A'
SCOPE OF WORK**

<insert scope of work, deliverables and timeline>

**SCHEDULE 'B'
FEES & EXPENSES**

Total compensation to be paid to the Consultant by the Regional District of Nanaimo shall not exceed a maximum of \$<insert upset amount>. This compensation includes all fees and expenses including GST. If the services are completed by the consultant at less cost than \$<insert upset amount> the Regional District shall be billed only for actual hours worked and actual expenses incurred. If the Consultant receives the Maximum Fee, but has yet to complete the Services, it shall continue to provide the Services until it has provided all of the Services.

Payment by the Regional District to the Consultant will be upon receipt of monthly written invoices from the Consultant for completed services and will be paid on a net 30 day basis from date of receipt. (Invoices shall contain a written statement of account showing the calculation of all fees and expenses claimed.)