



City of Moose Jaw

COMMUNICATION # EC-2019-0247

TITLE: RFP for Trades Services
TO: Executive Committee
FROM: City Manager
DATE: November 18, 2019
PUBLIC: PUBLIC DOCUMENT

RECOMMENDATION

THAT City Council authorize a Request for Proposals for 2020 for the following trades with an option for a four-year renewal from January 1, 2021 to December 31, 2024:

- Electrical
- Plumbing/HVAC
- Carpentry

THAT a subsequent report be brought to City Council in December 2020 to determine if the four-year renewal option would be approved.

TOPIC AND PURPOSE

The purpose of this report is to request authorization from City Council to issue a Request for Proposals for 2020 for the following trades:

- Electrical
- Plumbing/HVAC
- Carpentry

BACKGROUND

In the 2019 Budget Plan for the City Manager's Office, the following was noted as an objective for 2019:

Continuous Improvement/Rationalization of Services

In 2019, a concentrated approach will be undertaken to co-ordinate City Departments in areas such as purchasing, advertising, electrical and plumbing contractors, legal and external consultants.

As well, at the City Council meeting of June 24, 2019, City Council tabled the following motion until a report is received from Administration regarding the entire process:

"THAT Administration release an RFP for the provision of electrical services for the City of Moose Jaw."

DISCUSSION

The attached spreadsheet details a three-year analysis (2016/2017/2018) of the funds spent on the trades by the City of Moose Jaw. The City spends on average \$937,600 per year on the trades. In the analysis of actual sample of bills from those time periods, it is estimated that costs are 60% labour and 40% parts with an estimated 30% markup.

Option 1 to provide this service was to determine if this function could be brought in-house as other Cities have done. There is an estimated cost savings of about \$59,000 annually without the direct/indirect costs of advertising/filling the positions, maintaining and supporting the new division and overhead. Carpentry is not at a value that there should be any more consideration of what is being done, other than the 3rd option. It is believed that this option is too close to call and the cost reductions may be achieved by a City-wide RFP.

The 2nd option considered was the status quo which has seen no potential economies of scale and in essence each Department is completing their own contracting of day to day requirements.

The 3rd option considered was to source a coordinated City-wide Request for Proposals to determine if it is possible to achieve economies of scale. The costs would be analyzed over a ten-month time period so that a report could be formulated to recommend should the four-year option be renewed. That would be based upon costs, services provided, and satisfaction of the work completed. It is noted that the RFP's will include as much of the City's work that can be completed with the various firms, however, there may be some specialized expertise that would be outside the RFP.

Further, the City will coordinate specialized Mechanical Contracts such as elevators and ice plants with Mosaic Place to determine if economies of scale can be achieved.

STRATEGIC PLAN

Entrepreneurial Civic Administration
Co-ordination of functions

PRESENTATION

VERBAL: Mr. Jim Puffalt, City Manager, will provide a brief overview of the report.

ATTACHMENTS

- i. CMJ Journey Trades Analysis – 2016-2019.

REPORT APPROVAL

Written by: Jim Puffalt, City Manager
Reviewed by: Tracy Wittke, Assistant City Clerk
Approved by: Jim Puffalt, City Manager
Approved by: Fraser Tolmie, Mayor

To be completed by the Clerk's Department only.

Presented to Regular Council or Executive Committee on _____.

No. _____ Resolution No. _____

Report Approval Details

Document Title:	RFP for Trades Services - EC-2019-0247.docx
Attachments:	- CMJ Journey Trades Analysis - 2016-2019.pdf
Final Approval Date:	Nov 19, 2019

This report and all of its attachments were approved and signed as outlined below:



Tracy Wittke



Jim Puffalt



Fraser Tolmie