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Halifax, Nova Scotia
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Item No. 12.1.2
Audit & Finance Standing Committee
April 13, 2016

TO: Chair and Members of Audit & Finance Standing Committee

SUBMITTED BY: Original Signed

~~John Traves, Q.C. Acting Chief Administrative Officer~~
Original Signed

~~Joyce Trussler, Chief, Halifax Regional Fire & Emergency~~

DATE: March 07, 2015

SUBJECT: Award RFP # P15- 380 Review of Administrative Order 24 and Halifax Fire and Emergency Services Service Standard

ORIGIN

Recommendation from HRFE Operational and Service Review.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Council approved, Dec 11, 2012, that all budget increases are to be presented to the Audit and Finance Standing Committee, prior to submission to Council.

Halifax Charter, section 79(1) specifies areas that the Council may expend money required by the Municipality:

- (g) equipping and maintaining fire departments or emergency services providers;

Halifax Charter, section 35(2)(d)(i):

- (2) The Chief Administrative Officer may
 - (d) ... subject to policies adopted by the Council,
 - (i) make or authorize expenditures, and enter into contracts on behalf of the Municipality, for anything required for the Municipality where the amount of the expenditure is budgeted or within the amount determined by the Council by policy, and may delegate this authority to employees of the Municipality,

Recommendation on next page

Halifax Charter, section 120(6):

The Municipality may maintain other reserve funds for such purposes as the Council may determine.

and the Halifax Regional Municipality Administrative Order 2014-015 Respecting Reserve Funding Strategies – (6) No reserve funds will be expended without the CAO's recommendation and Council approval; (5) The Audit and Finance Standing Committee shall review and recommend to the Council for its consideration all impacts to the Reserves.

RECOMMENDATION

It is recommended that Audit & Finance Standing Committee recommend to Regional Council:

1. Award RFP # P15-380 Review of Administrative Order 24 and Halifax Fire and Emergency Services Service Standard to the only proponent, Pomax Consultants for a cost of \$85,577 (net HST included);
2. Approve the attached Strategic Studies Project Charter; and,
3. Approve a withdrawal in the amount of \$85,577 from the Strategic Studies Reserve, Q330, to fund the Review of Administrative Order 24 and Halifax Fire and Emergency Services Service Standard Study, as outlined in the Financial Implications Section of this report.

BACKGROUND

Beginning in 2012, HRFE performed a full operational and service review of their Business Unit. The resulting report presented several recommendations and options for reconfiguring fire services and mapping the next steps in bringing together the necessary resources to ensure appropriate levels of fire coverage within the municipality. The report's recommendations lay the groundwork for moving ahead with changes that will result in better business intelligence and an improved capacity to make informed choices about how best to meet the needs of the Municipality. During the operational and service review it became apparent that the Service Delivery Standards set out in the 2006 Council Report titled "Service Delivery Standard for Halifax Regional Fire and Emergency Service" and Administrative Order 24 require further review and revision.

Halifax Regional Council has approved funding to investigate HRFE's services and service response levels to its large geographic area by utilizing its diverse fire service which includes both career and volunteer fire fighters and staffed and volunteer stations.

Current services, turnout and response times provided to HRM through Halifax Regional Fire & Emergency are outlined in the "Service Delivery Standard for Halifax Regional Fire and Emergency Service" (2006).

<http://www.halifax.ca/council/agendasc/documents/FireEmergencyServiceDelivery.pdf>

The functions and responsibilities of Halifax Fire and Emergency Services are defined in Administrative Order 24, Respecting Fire and Emergency Service in Halifax Regional Municipality.

<http://www.halifax.ca/legislation/adminorders/ao024.pdf>

DISCUSSION

Request for Proposals P15-380, was publicly advertised on the Nova Scotia Public Tenders website on December 22, 2015 and closed on January 15, 2016.

Only one proposal was received, from Pomax. The technical and cost proposals were reviewed by staff from Fire and Emergency Services and facilitated by Procurement and were found to be comprehensive and complete. The cost proposal is reflective of the level of effort expected in relation to the scope of work and within the estimated budget.

The review of the Administrative Order 24 and Halifax Fire and Emergency Services Service Standard was originally planned to occur in 2015/16 and funding was budgeted in Fiscal Services.

As this study did not take place in 2015/16 and was not included in the 2016/17 budget process, we are requesting an unbudgeted withdrawal from the Strategic Studies Reserve, Q330 to fund this RFP in the amount of \$85,577. The Reserve Business Case for this reserve also requires a Strategic Studies Project Charter to be approved by Council and is attached for your approval.

FINANCIAL IMPLICATIONS

Based on Pomax's cost proposal of \$82,059 plus net HST of \$3,518, for a total of \$85,577 funding is available from an unbudgeted withdrawal from Account Q330 Strategic Studies Reserve to fund Fire Services Account F140-6303. The budget availability has been confirmed by Finance.

Budget Summary Strategic Studies Reserve, Q330

Projected net available balance March 31, 2016, as at Feb 29/16	\$ 1,237,552
2016/17 budgeted contributions (including interest)	\$ 966,590
2016/17 budgeted withdrawals	\$(1,166,200)
2016/17 Withdrawal per recommendation	<u>\$ (85,577)</u>
Revised projected net available balance, March 31, 2017	\$ 952,365

Strategic Studies Reserve, Q330 (June 2, 2015)

Reserve is intended to provide funding to support organizational research for policy direction and long-term municipal planning. Studies' deliverables will provide evidence-based research to direct staff to write policy which will redefine business needs for a regional impact. This study meets those requirements. Reserve Business Case also requires that a Project Charter be submitted to the Business Unit Director for approval and then reviewed by Director of FICT/CFO for recommendation to the Chief Administrative Officer and Regional Council for approval. Annual funding to the reserve is an allocation from fiscal services. The approval of the recommendation does not have a negative impact on the anticipated reserve balances' ability to fund the approved 2016/17 withdrawals.

COMMUNITY ENGAGEMENT

N/A

ENVIRONMENTAL IMPLICATIONS

N/A

ALTERNATIVES

There are no recommended alternatives.

ATTACHMENTS

Strategic Project Charter: Review of Administrative Order 24 and Halifax Fire and Emergency Services Service Standard

A copy of this report can be obtained online at <http://www.halifax.ca/boardscom/SCfinance/index.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Rita Clarke, Halifax Regional Fire & Emergency, 902-490-6255

Original Signed

Report Approved by:

Martin Ward, Q.C., Acting Director, Legal, Insurance & Risk Management Services, 902-490-4232

Original Signed

Jane Pryor, Manager, Procurement, 902-490-4200

Original Signed

Financial Approval by:

Amanda Whitewood, Director of Finance and Information Technology/CFO, 902.490.6308

STRATEGIC STUDIES PROJECT CHARTER

PROJECT NAME:	HRFE Admin Order 24 and Service Level Target Review
PREPARED BY:	Rita Clarke
DATE:	March 29, 2016

VERSION HISTORY:		
Version	Date	Reason for Update / Sponsor's Signature for Approval (Out-of-scope requests require an impact analysis to project costs, resources, schedule and risk to success before approval is be provided.)
1.	March 30	Original Signed
2.		/

PROJECT DELIVERABLES: (What does success look like? What questions does the study need to answer to fulfill its mandate? What are the product outcomes?)	
#	Question To Be Answered By Study
1.	Are the service delivery targets outlined in the 2006 Council Report titles "Service Delivery Standard for Halifax Regional Fire and Emergency Service" appropriate for Halifax when taking into consideration current staffing models, volunteer firefighter numbers, station placement and geographic diversity (urban, suburban, rural)?
2.	Do the services outlined in Administrative Order 24 accurately portray what services HRFE provides and what they are capable of providing to the community?
3.	Deliverables include recommendations for an updated Administrative Order 24 and adjusted Service Delivery Targets if deemed appropriate along with an implementation timeline.

PROJECT DESCRIPTION / SCOPE: (What value does the study add to the organization? What factors determine in or out of scope?)
<p>The HRFE Operational review, which lays the strategic groundwork on how HRFE delivers its services to HRM, determined that Administrative Order 24, which outlines the services that HRFE provides to HRM, and the associated Service Level Targets are outdated and require review. These two items were last reviewed in 2006.</p> <p>The Service Delivery Standard does not accurately portray realistic response times in certain areas of our community. The services outlined in Administrative Order 24 do not accurately reflect the services that HRFE provides to the community.</p> <p>An updated Administrative Order 24 and associated Service Delivery Targets are the expected outcomes from this review.</p> <p>A third party vendor has been selected through the RFP process and has not been awarded.</p>

REGIONAL COUNCIL DIRECTIVE / PRIORITY OUTCOME: <i>(Which Council Motions or Strategic Initiatives will the Study address?)</i>
Outcome: Safe Communities, Risk: External Risk Management, Admin Priority: Continuous Improvement
HRFE 1.03 – HRFE Operational Review/Strategic Master Plan

FINANCIAL IMPLICATIONS: <i>(Project Manager is required to submit quarterly financial projections to the Director of Finance & ICT)</i>		
Total Cost of Study	\$85,577	
Expenditures by Fiscal Year	Year 1	\$85,577
	Year 2	
	Year 3	
SAP Cost Centre(s)		
Assumptions	<ul style="list-style-type: none"> The recommended proponent quoted \$85,577 including net HST for completion of the study 	

PROJECT TIMELINE: <i>(Project Manager is required to submit quarterly milestones' status update and impact to Study's End Date to the Director of Finance & ICT)</i>			
Start Date:	May 1, 2016	End Date:	Aug 1, 2016
Milestones <i>(What action or product needs to occur to reach each milestone? Include any Procurement timelines.)</i>			Completion Date
RFP has been completed and awaiting award			
Project Start Date			May 1, 2016
Weekly Updates to project team by vendor			Aug 1, 2016
Draft report and recommendations			July 1, 2016
Final report and recommendations delivered to BU			Aug 1, 2016

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Next Steps:
(What actions are expected once the Study is complete? What areas of public service may be impacted? Is there a hand-off to a process owner or implementation plan?)

A Council Report will be developed taking into consideration the findings of this review. Using the implementation timelines, Administrative Order 24 will be rewritten along with the Service Delivery Targets to truly reflect what services and timelines can be measured and delivered upon for HRFE. There is a direct impact on public safety.

PROJECT TEAM / STAKEHOLDERS:
(Including external contributors, other Business Units to be operationally impacted by the Study results, and administrative support Business Units)

Name	Rita Clarke	Role	PM
Name	Chief Doug Trussler	Role	Sponsor
Name	Deputy Chief Brian Gray	Role	SME
Name		Role	
Name		Role	
Name		Role	

PROJECT COMMITMENT:

The Charter documents the formal conversation between the Project Sponsor and Project Team.
 The agreement communicates the high-level lifecycle of the project, including the definition of success and resource requirements.

PROJECT MANAGER	Rita Clarke
PROJECT SPONSOR (Business Unit Director)	Chief Doug Trussler
DIRECTOR OF FINANCE & ICT (approval for Q330 funding)	Amanda Whitewood