



P.O. Box 1749  
Halifax, Nova Scotia  
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**Item No. 14.3.1**  
**Halifax Regional Council**  
**July 19, 2016**

**TO:** Mayor Savage and Members of Halifax Regional Council

Original Signed

**SUBMITTED BY:**

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Councillor Linda Mosher, Chair, Audit & Finance Standing Committee

**DATE:** June 24, 2016

**SUBJECT:** Award RFP 15-1 90 HRP Facility Replacement Business Case

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**ORIGIN**

June 15, 2016 meeting of the Audit & Finance Standing Committee, Item No. 12.1.1.

**LEGISLATIVE AUTHORITY**

Audit & Finance Standing Committee Terms of Reference section 3.8, which states “to review and make recommendations on proposals coming to Halifax Regional Council outside of the annual budget or tender process including but not limited to:

- New Programs or services not yet approved
- Programs or services that are being substantially altered
- Proposed changes in operating or budget items
- Committing of funds where there is insufficient approved budget, or,
- New or increased capital projects not included in the approved budget
- Increases in project budget due to cost sharing
- Creation or modification of reserves and withdrawals not approved in the approved budget

**RECOMMENDATION**

It is recommended by the Audit & Finance Standing Committee that Halifax Regional Council:

1. Award RFP P15-190 HRP Facility Replacement Business Case to the highest-scoring proponent, Rebanks, Pepper and Littlewood Architects Ltd. for a total cost of \$ 202,106 (net HST included); and
2. Approve an unbudgeted withdrawal in the amount of \$202,106 from the Potential Strategic Project Reserve, Q126, as outlined in the Financial Implications section of the staff report dated April 4, 2016.

## **BACKGROUND**

A staff report dated April 4, 2016 pertaining to the Award of RFP 15-190 HRP Facility Replacement Business Case was before the Audit & Finance Standing Committee for consideration at its meeting held on June 15, 2016.

For further information, please refer to the attached staff report dated April 4, 2016.

## **DISCUSSION**

The Audit & Finance Standing Committee considered the staff report dated April 4, 2016 at its meeting held on June 15, 2016 and forwarded the recommendation to Halifax Regional Council as outlined in this report.

## **FINANCIAL IMPLICATIONS**

As outlined in the attached staff report dated April 4, 2016.

## **RISK CONSIDERATION**

As outlined in the attached staff report dated April 4, 2016.

## **COMMUNITY ENGAGEMENT**

All meetings of the Audit & Finance Standing Committee are open to the public. The agenda and reports are provided online in advance of the meeting.

## **ENVIRONMENTAL IMPLICATIONS**

Not applicable.

## **ALTERNATIVES**

The Audit & Finance Standing Committee did not discuss alternative recommendations.

## **ATTACHMENTS**

1. Staff report dated April 4, 2016

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A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.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: Liam MacSween, Legislative Assistant, 902.490.6521

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**Item No. 12.1.1**  
**Audit & Finance Standing Committee**  
**June 15, 2016**

**TO:** Chair and Members of Audit & Finance Standing Committee

**SUBMITTED BY:** Original Signed  
John Traves, Q.C. Acting Chief Administrative Officer

Original Signed  
J.M. Blais, Chief of Police

**DATE:** April 4, 2015

**SUBJECT:** Award RFP 15-190 HRP Facility Replacement Business Case

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**ORIGIN**

At the July 29<sup>th</sup>, 2014 session of Regional Council, direction regarding both a feasibility study and future funding of potential strategic projects was voted on as follows:

*14.2 Ratification of Committee of the Whole - Strategic Capital Funding Strategy*

*This matter was dealt with at a Committee of the Whole session held earlier and was now before Council. Council agreed to have a recorded vote on each recommendation.*

*MOVED by Councilor Mason, seconded by Deputy Mayor Fisher moved seconded by Deputy Mayor Fisher that Halifax Regional Council:*

*1. Approve the use of the Capital Reserves Q101 Sale of Assets; Q126 Strategic Growth; Q139 Central Library Repayment Reserve; and Q145 Regional Facility Expansion Reserve To fund the Planned Strategic Projects and the Potential Strategic Projects should they proceed.*

*MOTION PUT AND PASSED. (14 in favour, 3 against)*

*In favor: Mayor Savage, Deputy Mayor Fisher, Councillors Karsten, Nicoll, McCluskey, Mason, Watts, Mosher, Walker, Adams, Rankin, Whitman, Craig and Outhit. Against: Councillors Dalrymple, Hendsbee and Johns.*

*7. Direct staff to recommend funding in the 15/16 Capital Budget to: a. Complete feasibility study, business case and Class C costing for the Police Station Renewal and Fire Services Training Facility*

*MOTION PUT AND PASSED UNANIMOUSLY.*

**Recommendation on next page**

## **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 93(1 ) - The Council shall make estimates of the sums that are required by the Municipality for the fiscal year; Halifax Charter, section 79(1) - Specifies areas that the Council may expend money required by the Municipality; Halifax Charter, section 35(2)(d)(i) - The CAO can only authorize budgeted expenditures or within the amount determined by Council by policy; Halifax Charter, section 120(6) - The Municipality may maintain other reserve funds for such purposes as the Council may determine; Halifax Regional Municipality policy on Changes to Cost Sharing for Capital Projects - Changes requiring Council approval; 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;

1. Award RFP P15-190 HRP Facility Replacement Business Case to the highest-scoring proponent, Rebanks, Pepper and Littlewood Architects Ltd. for a total cost of \$ 202,106 (net HST included);
2. Approve an unbudgeted withdrawal in the amount of \$202,106 from the Potential Strategic Project Reserve, Q126, as outlined in the Financial Implications section of this report.

## **BACKGROUND**

As part of the 1996 municipal amalgamation, policing services for the three former municipal police departments (Halifax, Bedford and Dartmouth) were restructured to create Halifax Regional Police (HRP). HRM operates under an integrated policing model, with the urban core being serviced by Halifax Regional Police and the suburban areas policed by Halifax District RCMP. More specifically, HRP is responsible for policing Halifax; Dartmouth, Bedford and all communities from Bedford to the Sambro Loop, while Halifax District RCMP polices Tantallon, Lower Sackville, Cole Harbour, Musquodoboit Harbour and Sheet Harbour. On April 1<sup>st</sup>, 2016, HRP began providing policing services to the Halifax International Airport.

The current central police headquarters station, the David P MacKinnon Building, has several serious documented issues and is generally too small and outdated to effectively and efficiently serve as HRM police headquarters. Additionally, given these space constraints, a number of specialized police sections, such as the Criminal Investigative Division, the Strategic Technology Integration Unit and the Records and Courts Section have been forced to either lease office space outside of headquarters or work from other locations, resulting in work-flow inefficiencies.

The Consultant will document the current HRP/RCMP integrated police service delivery model in terms of distribution of functions, travel time, personnel and facilities as well as service delivery and will summarize the major issues. These issues will include operational effectiveness of the current policing model, facility suitability and location, and the ability of the current infrastructure to meet current and projected police service delivery needs.

The result of this review will produce a business case for a new HRP police facility or facilities within HRM. The study will determine the most operationally efficient, cost-effective configuration and location of police facilities to support the long-term delivery of policing service in Halifax. It will consider the centralization versus decentralization of facilities as well as the general location of said facilities.

Comprehensive computer modelling will be expected to determine the most efficient locations and configurations.

### DISCUSSION

Request for Proposals P15-190, Halifax Regional Police Facilities Replacement Business Case was publicly advertised on the Nova Scotia Public Tenders website on January 21, 2016, and closed on March 1, 2016. Proposals were received from:

- Deloitte LLP
- Rebanks, Pepper and Littlewood Architects Ltd (RPLA)
- KPMG Inc.
- Stantec

Proposals were evaluated by staff from Corporate Facility Design and Construction, Halifax Regional Police, and facilitated by Procurement per the criteria listed in Appendix A, Evaluation Criteria.

The RFP was evaluated using a two-envelope process. Envelope One was the technical component of the RFP. Envelope Two consisted of the cost proposal. Only those proponents that received 75 percent or better on the Technical Submission from Envelope One had their cost envelopes opened and evaluated. The proposals from KPMG Inc. and Deloitte LLP did not meet the minimum technical requirement and their cost proposals will remain unopened. The remaining proposals were scored as follows:

| Name of Company                                  | Bid Price (net HST included) |
|--|------------------------------|
| Rebanks, Pepper and Littlewood Architects Ltd. * | 89                           |
| Stantec Inc.                                     | 82.21                        |

It is anticipated that the work will start in the two (2) weeks following the awarding of the Contract, and the work will take approximately forty (40) weeks to complete.

### FINANCIAL IMPLICATIONS

Based on the highest scoring proponent's cost of \$193,800 plus net HST of \$8,306 for a total net cost of \$202,106, funding is available in the approved 2016/17 Operating Budget from operating account P130-6303, provided this cost be funded from an unbudgeted withdrawal from Reserve Account Q126, Potential Strategic Project Reserve. Availability of the funds has been confirmed by Finance.

#### Budget Summary – Potential Strategic Project Reserve, Q126

|   |                     |
|---|---------------------|
| Projected Net available Balance, March 31, 2016, as at Feb 29, 2016 | \$37,312,253        |
| Budgeted 2016/17 contributions (including interest)                 | \$26,488,480        |
| Budgeted 2016/17 withdrawals  | \$ 0                |
| Withdrawal per recommendation, RFP P15-190                          | <u>\$ (202,106)</u> |
| Revised Projected Net Available Balance, March 31, 2017             | \$63,598,627        |

This project was originally estimated at \$ 250,000 procurement of consultant services to review current HRP operations. Their report will provide recommendations as to the optimal placement of police facilities so as to increase both efficiency and effectiveness.

#### **Potential Strategic Projects, Q126 (July 8, 2003 – Strategic Growth Reserve)**

In 2014, Council approved the development of the Potential Strategic Projects Reserve from the Strategic Growth Reserve. As approved by Council, the intent of the reserve is to provide funding for potential projects such as the Police Station Renewal; Fire Services Training Facilities, Stadiums, Library Facilities, and other capital initiatives to be approved by Council. This study is the beginning element of the Police Station Renewal. The reserve is funded from the proceeds of specific land sales, and there is currently no planned withdrawal from the reserve in 2016/17. The recommended withdrawal does not negatively impact the reserve.



**Appendix A – Evaluation Criteria**

**RFP Proponent Scoring**

| <b>Criteria</b>                 | <b>Maximum Score</b> | <b>*RPLA</b> | <b>Stantec</b> |
|---------------------------------|----------------------|--------------|----------------|
| Communication Skills            | 5                    | 4.25         | 4.50           |
| Team composition and experience | 25                   | 21.25        | 22.13          |
| Understanding of HRM needs      | 15                   | 11.75        | 12.75          |
| Business Solution               | 20                   | 18.00        | 16.75          |
| Project Management Methodology  | 5                    | 3.75         | 4.63           |
| Subtotal (Business Proposal)    | 70                   | 59.00        | 60.75          |
| Cost                            | 30                   | 30.00        | 21.46          |
| <b>Total</b>                    | <b>100</b>           | <b>89.00</b> | <b>82.21</b>   |
| Cost (net HST incl.)            |                      | \$202,106.00 | \$259,672.00   |

\* Rebanks, Pepper and Littlewood Architects Ltd.