

To: GVTA Board of Directors
From: Ian Jarvis, Chief Operating Officer
Date: October 6, 2004
Subject: **Vancouver HandyDART**

Staff Recommendation:

That the GVTA Board:

- A. Approves the selection of Greater Vancouver Community Services Society (GVCSS) as the preferred service provider for the Vancouver HandyDART service effective January 1, 2005;
 - B. Directs staff to finalize the Operating Agreement with GVCSS for delivery of HandyDART service in Vancouver for the period January 01, 2005 to December 31, 2007; and
 - C. Authorizes staff to negotiate and finalize an Operating Agreement with Farwest handyDART Services Inc. for delivery of HandyDART service in Vancouver for the period January 01, 2005 to December 31, 2007 if the GVCSS and TransLink are unable to reach a satisfactory Operating Agreement.
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PURPOSE

The purpose of this report is to seek the Board's approval for the selection of a preferred service provider for the Vancouver HandyDART service for the period January 01, 2005 to December 31, 2007.

BACKGROUND

HandyDART service in the City of Vancouver and the University Endowment Lands comprises approximately 7,700 active customers served by 97 HandyDART vehicles. The current incumbent, Pacific Transit Cooperative (PTC) has been the HandyDART service provider in this area for approximately 23 years. In November 2002, as a result of a Request for Proposals (RFP) process, PTC was awarded the contract to provide HandyDART service in Vancouver and the University Endowment Lands for the period April 01, 2003 to December 31, 2005.

In March 2004 the General Manager of PTC advised TransLink that PTC was operating the service contract at a greater deficit than anticipated. PTC submitted a formal request for termination of the contract effective July 31, 2004 which was approved by the TransLink Board. An interim agreement with PTC was subsequently put in place to ensure service continuity while an RFP process was initiated to select a new service provider for the period January 01, 2005 to December 31, 2007.

The RFP, covering a period of three years, from January 01, 2005 to December 31, 2007, was issued on June 8, 2004. Subject to the satisfactory performance of the successful Proposer during this initial period, GVTA has the sole option to extend the service contract by a further year or two years.

The RFP was advertised on the TransLink web site and on BC Bid. Notification of the RFP was also sent to organizations and/or individuals that had informed TransLink that they were interested in being notified of any future HandyDART RFP's. The RFP was also advertised in the Vancouver Sun on June 5, 2004 and in the Province on June 6, 2004.

The RFP closed on August 12, 2004. Proposers were given approximately nine weeks to prepare and submit proposals. This report details the evaluation of the proposals and recommends a preferred service provider.

DISCUSSION

Four proposals for the operation of the HandyDART service were received from the following organizations:

1. Farwest handyDART Services Ltd. (Farwest)
2. Greater Vancouver Community Services Society (GVCSS)
3. Laidlaw Transit Ltd. (Laidlaw)
4. Pacific Transit Cooperative (PTC)

Additionally one proposal was received after the closing time and was deemed "Non-Compliant" and was not evaluated.

The proposals submitted were evaluated on three criteria: Organization Profile, Management Plan and Costs. Only those proposals that demonstrated the minimum requirements for organizational profile and management plan were evaluated on the third criterion: costs. Only, the proposals submitted by Farwest, GVCSS and Laidlaw satisfied the minimum standard for the first two criteria. These proposals were then evaluated against the Costs criterion.

The cost proposal by Laidlaw was significantly higher than the other two proposals with the result that it was removed from further consideration. The proposals submitted by Farwest and GVCSS were similar in most areas and it was decided to shortlist these two proposers. The two proposers were invited to a meeting for the purpose of clarifying

elements of their respective submissions. These meetings were held on August 26, 2004. GVCSS attended in person at the GVTA offices while the Farwest meeting was conducted via telephone conferencing. There were no material changes in the score or ranking of these two proposers as a result of the clarification meetings.

The proposals included details of the costs associated with providing this service for the period January 1, 2005 to December 31, 2007. The controllable costs submitted by GVCSS is approximately \$2 millions lower than that submitted by Farwest for the three year period.

Based on the evaluation methodology described in the RFP, the GVCSS proposal attained the highest aggregate points total for the three evaluation criteria. The proposal costs submitted by both GVCSS and Farwest were within the range of the GVTA projected cost for this service for the next three years, but the GVCSS proposal costs were significantly lower.

GVCSS has indicated that it must first offer the available positions at Vancouver HandyDART to their existing complement of staff. GVCSS has also indicated that it will welcome applications for employment from employees of the current operator, that it values prior HandyDART experience and will give careful consideration to all applications from employees of the current operator.

GVCSS is the current HandyDART service provider in both the Simon Fraser (Burnaby, New Westminister, Coquitlam, Port Coquitlam and Port Moody) and Richmond service areas and has performed to our standards in those areas. If GVCSS were to be awarded the Vancouver HandyDART service contract they would account for approximately 60 % of the total HandyDART service provided in the Greater Vancouver Transportation Service Region.

GVCSS's proposal is sufficiently detailed to provide TransLink with confidence that it would be capable of taking over the service and running it at an acceptable standard. Furthermore, GVCSS has committed to improving the rides per hour delivered by a factor of 10 % over the life of the contract. Additionally the organization has previous experience in taking over an existing HandyDART service, as well as consolidation of home support agencies, at short notice and with good results. Overall, the GVCSS proposal provides the best combination of service quality and cost.

Some impact to customer service in the short term is to be expected whenever there is a change in HandyDART contractor and employees. These risks were factored into the evaluation of both proposals. The proposal submitted by GVCSS includes a comprehensive description of its mobilization strategy to minimize any negative impact of the switchover. The timing of the mobilization plan assumed that the award would be made at the September TransLink Board meeting. Due to the deferral of this award, an extension of the interim operating agreement between TransLink and Pacific Transit

Cooperative may be required. TransLink staff will work closely with the incumbent and the new contractor to ensure that the transition process runs as smoothly as possible.

ALTERNATIVES

The Board may decide to terminate the RFP and restart the procurement process. In this alternative the evaluation criteria would need to be modified. The alternative would delay implementation past January 1, 2005 and we would need to extend the current agreement with Pacific Transit. This alternative would be more costly than the recommended alternative.

CONCLUSION

GVCSS is the service provider for the Simon Fraser and Richmond HandyDART service and has proven to have the best combination of qualifications in relation to the RFP criteria. GVCSS is recommended as the preferred service provider for the Vancouver HandyDART service for the period January 1, 2005 to December 31, 2007.