

FIN-001-003

Strathcona County
Municipal Policy Handbook

Strathcona County Guidelines for Consultant Selection

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Policy Statement

That Strathcona County in selecting consultants will seek the right combination of appropriate technology, skill, experience and integrity to accomplish the objective with confidence and satisfaction.

Procedures

Purpose and Scope of Consultants

The Strathcona County will use outside consultants or professionals to perform specialized services where:

1. The advice or services sought are necessary to satisfy program requirements;
2. Where
 - a) the expertise and resources are not available in house.
 - b) time and labour has been committed to other projects.
 - c) the activity is viewed prejudicial if carried out by a County department.
 - d) grant funding policy makes it necessary or cost effective to do so.
3. Their use is consistent with specific County policies as directed by County Council or Board of Education and administered through the Commissioner, General Managers, Superintendent or Assistant Superintendent for school matters.

Definitions

The Consultant professional designation applies to anyone who is qualified to provide professional or specialized advice or possesses special qualifications.

Consulting professional services are defined as those services which are provided by individuals with a high level of attainment in a professional scientific, technical or managerial field.

The Proposal Form is a document submitted to the consultant which has the purpose of specifying the work which the consultant is required to do, the substance of which may form an integral part of the contract.

Local Firms include businesses that have resident offices in Strathcona County; or for educational purposes in the City of Fort Saskatchewan.

County contracting department includes Commissioner, General Managers, Superintendent, Assistant Superintendents and all County Managers and Directors.

General Requirements

The decision to engage the services of a consultant shall take into account the following considerations:

1. A services contract and its performance shall establish a good working relationship between the County and individuals performing under the contract;
2. The contract shall have finite financial and time limits;
3. All information and data received and compiled by the Consultant, while performing services pursuant to this Agreement, shall be treated as confidential for the benefit of the County and shall not be disclosed or made known to any other person except as authorized by the County.
4. All written reports, documents and studies prepared by the Consultant to this agreement shall become the property of the County.

Competition Policy

Consulting services should normally be obtained through the use of the competitive selection process. Procedures should be designed to ensure that qualified individuals or firms are not omitted from consideration and that there is equitable opportunity for those qualified in the market to obtain a share of the available work. Repeat commissioning of a firm or individual without competition should be avoided.

Award of contracts for the provision of service may be considered competitive provided that all the following conditions are met:

- a) at least three proposals are desirable.
- b) the evaluation of proposals is based on an appropriate set of criteria and the specific information of which consultants are judged is contained in the proposal call as determined by the Project Manager.
- c) the evaluation is carried out by individuals qualified to judge the competing proposals against the statement of work and evaluation criteria, and for large or complex requirements by an administrative committee, constituted for the purpose.
- d) preference will be given to local firms under the condition that all other things are equal.

Acquisition Process

All County departments who engage the services of consultants will establish and maintain a set of records containing a number of firms and individuals from which consulting services can be obtained. A master list will be retained in the Purchasing Department for all County departments' reference. It will be the various County department's responsibility to inform the Purchasing Department of new suppliers added or deleted from this list.

Maintenance of these record files should be maintained and updated yearly. The Purchasing Department must notify all departments of changes that occur to said record files. A registration form is available from the Purchasing Department for vendors to formally register with Strathcona County.

1. Central Registry (vendor file) (Purchasing Department)
2. Central Registry (subject file) (Purchasing Department)
3. Individual Department
4. Vendor Copy

Selection Management

A designate project manager will be appointed by the County contracting department as appropriate. It is the responsibility of the project manager to provide a clear statement of the work and specify the objectives to be attained. Budget and implementation approval must be received prior to calling for proposals.

Proposal call will contain:

Statement of Work (Content)

A statement of work which specifies the work to be carried out, the quantity and quality of the work required which forms part of the contract must be:

- a) explicit as to the requirements of the department and the responsibilities of the consultant so that questions of interpretation can be avoided;
- b) prepared in sufficient detail to ensure that the department is supplied with the advice or services that it requires but, at the same time, flexible enough to permit innovation and the exercise of initiative by the consultant in the interests of the County department.

As appropriate the statement of work should identify the specific stages of the work, the sequence in which they are to be undertaken, their relationship to the overall work in general and to each other in particular. The type, magnitude and complexity of the work will determine the degree of detail required in the statement of work.

Preparation of Preliminary List

After the services have been defined, a preliminary list of consultants appearing to have the necessary qualifications should be prepared. The extent of this list will depend upon the magnitude and complexity of the work. Development of the preliminary list may involve:

advertising the work with a brief description of the undertaking, the services required, and the time schedule, and inviting qualified consultants to express interest and present their qualifications. The advertisement should be specific as to what factors are to be used to establish the short list.

reference to record files maintained by various County Departments/Purchasing.

From the preliminary list a short list should be prepared in accordance with the guidelines as outlined in Appendix V. This is to ensure that the selection cost and effort is appropriate to the size of the consultant contract.

Selection of Short List

In selecting a short list of consultants the available information about the consultants on the preliminary list should be assessed with regard to the following factors:

- technical competence;
- experience in the fields required;
- managerial skills;
- corporate expertise and stability;
- availability of resources;
- capacity to complete work within the required time;
- past performance on previous County contracts;
- past performance on other previous work;
- location of the consultant's office with respect to work area;
- sensitivity of work;
- security level required; and
- local firms as per policy.

On completion of the short list competitive proposals are then invited from the consultants on this list.

Selection Methods

Consultants may be selected as outlined below:

1. Selection Without Competition

One firm or individual is chosen on the basis that it has the necessary capabilities and is in a unique position to undertake the work at the required time. It is understood that the County contracting department shall approve when such selections are deemed necessary. It shall be appropriate when:

- a) only one firm is capable and available to do the work, or
- b) the need is one of extreme urgency, or
- c) due to a prior contract the proposed consultant, as deemed by Council and Administration, is the only one who can undertake the next phase, or
- d) due to the nature of the work, it would not be in the public interest to discuss the requirement with any other firm.
- e) very small contracts.

2. Selection by Qualification

In this method, a preliminary list of consultants is reviewed and a short list of three or more firms are selected and ranked according to qualifications. Negotiations are then opened with the top-ranked firm to obtain an agreement. If the negotiations are not successful, they are terminated and negotiations opened with the second-ranked firm, and so on until an agreement is reached. This method is appropriate when:

- a) the work cannot be sufficiently well defined to form the basis for competitive proposals;
- b) the nature of the work is such that proposals would not provide an adequate basis for evaluating the potential of the consultants for providing best value;
- c) the cost of preparing proposals and evaluating them would be out of proportion to the value of the contract.

3. Selection Based on Proposals Including Cost Data

Proposals are invited from a short list, but in order to allow consideration to be given to the relevant cost factors during evaluation, rates and other cost information are required to be submitted as part of the proposal. These will then form a basis for price negotiations. Generally this method is appropriate where the circumstances permit reliable estimation of costs.

Proposals should include a definition of work included, a fixed or upset price, a rate for work additions plus consultant's cost control proposals.

4. Selection Based on Prices Offered

When the work is fully specified and all offers from qualified consultants fully comply with the specifications, selection can be based on the best price offered. This method is appropriate only when:

- a) the scope and detail of the work can be precisely stated;
- b) the cost of the work can be reliably estimated;
- c) two or more firms are capable of and interested in doing the work;
- d) criteria for accepting the finished work can be clearly specified.

Requests for Proposals

Normally, competitive proposals will be solicited from short listed firms by means of a proposal call. It may be appropriate to conduct individual or group briefings of consultants at the time of the proposal call. The request for proposals must include:

- the statement of work;
- supporting documentation and data relating to the work;
- project team, resources and their locations to be assigned or made available to the project including names and resumes; list any subfirms. List project team leader if applicable;
- basis for selection"supporting documentation and data relating to the work;
- closing date for submissions;
- project schedule (comment on proposed schedule and when work will be completed);
- information to be included in the proposal, such as the consultant's approach or methodology to be used on the problem, the human resources and alternates to be assigned or made available to the project including names and resumes, fees, cost estimates, relevant past experience and former clients;.

- proposals must state the time, date, place, and if a public opening will be held;
- where selection is based on prices offered, public opening of the proposals shall take place;

Public Works consultant selection should follow the APEGGA guide for selecting a consultant.

Selection Principles

The objective is to select the consultant who has the potential of providing the best value for the funds to be expended. This objective can be met by evaluating several consultants against one or more of the following criteria:

- the qualifications of the consultant to do the work;
- the proposed approach of the consultant toward meeting the requirement;
- the pricing and terms offered to carry out the work should only be considered as a factor in selecting the best qualified consultants.

Whether or not a formal competition is held, the consultant's qualifications and experience must always be a factor in deciding who will do the work, while price and terms offered must be acceptable before any contract can be awarded.

Evaluation of Proposals

Proposals should be evaluated by competent staff directly involved with the contract, using the Consultants Evaluation Systems attached as appendices II, III, and IV as a guide. To make a proper assessment of the considered value against the estimated cost of work, the costs should be kept separate from the point rating. This allows the differences in costs between proposals to be compared with the differences in ratings.

The criteria for evaluating proposals should determine:

- a) whether the consultant has the capability to carry out the work, bearing in mind the size, complexity and time constraints of the job. The number, qualifications and experience of personnel. Also, the consultants experience and satisfactory performance on similar projects performed for the County.
- b) whether the proposed approach to the problem will produce the desired results.
- c) whether the estimated cost of the work and proposed fees are reasonable.
- d) whether the consultant conforms to all the short listing criteria.

Procedure for Acceptance of Proposals

1. If a consultant is selected without competition, it shall be necessary for the Project Manager to advise and gain approval of Council or Board of Education, as appropriate, of the consultant selected before awarding of the contract.
2. A letter accepting the proposal is prepared by the Project Manager for signature by the appropriate delegated authority and sent to the consultant. This authorizes the consultant to start work.

3. Initiate a purchase order containing the following information:
 - a) outline of work.
 - b) financial payment.
 - d) general information, conditions and upset price.
 - e) project contingency (confidential, not to be advised to the consultant).
 - f) changes to the original purchase order must be approved by the County contracting department in charge of that project.
4. The contract must be prepared by the project manager, who shall ensure execution by the County delegated authority, prior to completion of a significant amount of the assignment. Contract details must include:
 - a) the statement of work.
 - b) the proposal as agreed.
 - c) names of County and Consultant personnel.
 - d) contract details as appropriate, plus a copy of the consultant's insurance policy.
 - e) a clear definition of extras and the need for them to be approved **before** the cost is incurred.
5. The Commissioner shall ensure the proper administration of the awarding of all assignments, the entering into of all contracts, and authorizing the expenditure of municipal funds in respect to all municipal matters or projects where the expenditure has been authorized by the County Council in the municipal budget or other sources, and where the expenditure does not exceed the sum of **five hundred thousand (\$500,000) dollars** per project or the maximum approved in the budget, whichever is lower.
6. Execution of Documents must be signed in accordance with County Policy.

Procedure for Closing Contract

1. A letter to the Consultant from the Project Manager finalizing the project. A copy and backup material to be retained by the Purchasing Department.
2. Short report prepared by the Project Manager regarding the consultant's performance, and retained by the Purchasing Department.

Advising Unsuccessful Competitors

In all cases, those who submitted a proposal but were unsuccessful will be notified by the selection authority of the name of the successful candidate. The value of the contract may be advised where considered to be appropriate. Under no circumstances are consultants to be advised in writing of why they were or were not selected.

The applicant in making a submission shall acknowledge that the awarding by the County will preclude any recourse except under circumstances defined as contradictory to the terms of the policy. If the terms are contradictory the unsuccessful bidder may register his complaint, in writing, to the appropriate General Manager, postmarked no later than 10 working days after the awarding of the contract.

Record

Signed original contracts and final Evaluation Reports will be retained by the Corporate Secretary; copies of the above mentioned documents will also be retained by the contracting department.

Backup with the departmental copy could include:

- name and location of consultant;
- contract value;
- method of selection;
- brief description of work;
- date awarded;
- copy of final evaluation report.

Responsibilities of Project Manager

The County contracting department appoints a designate project Manager who is responsible for the monitoring of work in progress. The manager is appointed by the County contracting department as appropriate and will be responsible and accountable for the following project management responsibilities which may be delegated in writing to a qualified subordinate.

- prepare the project budget and schedule;
- prepare the proposal call;
- coordinate the opening of proposals;
- evaluate the proposals (act as the secretary of the evaluation committee);
- advise the successful candidate via letter, authorizing consultant to start work (letter must be signed by director);
- advise unsuccessful candidates via letter;
- advise Central Supply Services to process purchase order;
- receive regular physical progress and financial reports from the consultant;
- attend progress meetings with the consultant;
- examine the work as it progresses to assure conformance to contract requirements;
- monitoring time, resource, cost and quality aspects of the work against a pre-determined and agreed work plan
- amend the contract to reflect new requirements, work schedules and payment provisions in response to changing circumstances;
- acceptance or approval of the work at intermediate stages and at completion;
- ensure that consultant reports going forward to administration and/or elected officials include an Executive Summary confined to not more than two pages on report content and recommendations;
- certification of all payments and follow up to ensure timely payment;
- approve change orders or extra services work order within the approved budget;
- prepare short report on consultant's performance;
- issue letter to consultant on completion of contract;
- should identify and advise candidates of existing studies that will assist in preparation of contracted work.

The consultant has the responsibility for controlling the work under contract to achieve the required objectives within the time and budgetary constraints of the contract.

Performance Evaluation

On completion of the contract, the director/manager and/or project manager shall evaluate the consultant's performance. Points that may be included are:

- general description of work undertaken, location and terms of reference.
- quality of work performed.
- efficiency of the consultant.
- capabilities or outstanding accomplishments.
- cost of work and estimated value received.
- recommendation for further consideration.
- comments, both positive and negative, should be discussed with the consultant to reflect his comments for the record.

Consultants Evaluation System

| Criteria | Scoring | Score | Remark |
|---|---|--------------|---------------|
| 1 Firm/Staff | | | |
| A Firm's record | | | |
| (a) Work complete on time | Excellent (ie. almost always on time) | =5 | |
| | Good (ie. often late with projects) | =2 | |
| | Poor (ie. usually not on time) | =0 | |
| (b) Work completed within budget | Excellent (ie. almost always on budget) | =5 | |
| | Good (ie. often over budget) | =2 | |
| | Poor (ie. usually over budget) | =0 | |
| (c) Reference satisfaction | Excellent (ie. excellent work relationship) | =5 | |
| | Good (ie. usually good work relationship) | =2 | |
| | Poor (ie. usually not satisfied with work relationship) | =0 | |
| B Firm's experience (ie. relevancy of past work to the project) | Excellent (ie. have completed similar projects) | =5 | |
| | Good (ie. have completed some similar projects) | =2 | |
| | Poor (ie. have never completed similar projects) | =0 | |
| C Staff (ie. experience and and senior level of staff who will be doing the work) | Excellent (ie. staff are senior and have specific relevant experience) | =5 | |
| | Good (ie. staff are on intermediate level with limited specific relevant experience) | =2 | |
| | Poor (ie. staff are on junior level with little specific relevant experience) | =0 | |
| D Local Context | | | |
| (a) Are the staff assigned knowledgeable about the local context | Excellent (ie. very knowledgeable) | =5 | |
| | Good (ie. somewhat knowledgeable) | =2 | |
| | Poor (ie. poor knowledge of local context) | =0 | |
| (b) Will staff be on site? (If yes, how often?) | Excellent (ie. staff on site approximate) | =5 | |
| | Good (ie. staff on site but not as often as preferred) | =2 | |
| | Poor (ie. staff infrequently on site as related to need of the project) | =0 | |

| | | | |
|----------|------------------------------|---|-----------|
| E | Sub Consultants | | |
| | (a) Firm's record | Excellent (ie. reference checks excellent) | =5 |
| | | Good (ie. reference checks good) | =2 |
| | | Poor (ie. reference checks poor) | =0 |
| | (b) Staff appropriate | Excellent (ie. appropriate expertise and experience) | =5 |
| | | Good (ie. expertise and experience is good) | =2 |
| | | Poor (ie. expertise and experience is poor) | =0 |
| | | Sub total | |
| | | Maximum possible | 45 |
| 2 | Proposal | | |
| A | Understanding of the Project | Excellent (ie. consultant exhibits firm's understanding of project's goals and objectives) | =5 |
| | | Good (ie. consultant seems to understand some aspects of the project's goals and objectives) | =2 |
| | | Poor (ie. consultant exhibits little to no understanding of the project's goals and objectives) | =0 |
| B | Process | | |
| | (a) Logical | Excellent (ie. the process used is logical yet sensitive to the local context) | =5 |
| | | Good (ie. the process used is not fully logical nor sensitive to the local context) | =2 |
| | | Poor (ie. the process missed some very important steps, is not logical and not very sensitive to the local context) | =0 |
| | (b) Technical | Excellent (ie. the process is technically rigorous and exacting) | =5 |
| | | Good (ie. the process has some technical components but they are not particularly rigorous or applicable) | =2 |
| | | Poor (ie. either the process has no technical components that are preferable or what components there are, are poorly thought out and applied) | =0 |

| | |
|-------------------|---|
| (c) Comprehensive | <p>Excellent (ie. the process is very comprehensive) =5</p> <p>Good (ie. the process is missing one important component) =2</p> <p>Poor (ie. the process is missing several important components) =0</p> |
| (d) Creativity | <p>Excellent (ie. the process is very creative in effectively meeting the goals and objectives of the project) =5</p> <p>Good (ie. the process has some creative elements) =2</p> <p>Poor (ie. either no creative elements are in the process or what are in, are inappropriate) =0</p> |
| Budget | <p>Excellent (ie. the budget is in line with the product to be delivered) =5</p> <p>Good (ie. the budget is either somewhat over or under, given the product to be delivered) =2</p> <p>Poor (ie. the budget is not in line with the product to be delivered) =0</p> |
| Timeline | <p>Excellent (ie. the timeline is in line with the product to be delivered) =5</p> <p>Good (ie. the timeline is either somewhat over or under, given the product to be delivered) =2</p> <p>Poor (ie. the timeline is either too short or too long given the product to be delivered) =0</p> |
| | <p>Sub Total _____</p> <p>Maximum possible 35</p> |

3 General

| | |
|-------------|--|
| Objectivity | <p>Excellent (ie. the proposal, process, staff or firm do not seem to be unduly biased as to the outcome of the project) =5</p> <p>Good (ie. some aspects of the proposal, process, staff or firm seems to be biased in favor of some particular outcome) =2</p> <p>Poor (ie. either the proposal, process, staff or firm are unduly biased in favor of</p> |
|-------------|--|

| | | |
|------------------|---|-----------|
| | some particular philosophy or outcome not appropriate to the project) | =0 |
| Present workload | Excellent (ie. consultant is able to demonstrate that he is capable of adequately completing the project on time given his existing commitments | =5 |
| | Good (ie. there is some question as to the consultant's present workload and therefore ability to adequately complete the project on time) | =2 |
| | Poor (ie. given the consultant's current workload and the timeline of the project at hand, it does not appear that the consultant can adequately complete the project on time) | =0 |
| Communication | Excellent (ie. the proposal is well laid out and easy to read) | =5 |
| | Good (ie. the proposal is confusing in some respects) | =2 |
| | Poor (ie. you don't understand what is being done or why) | =0 |
| | Sub total | 15 |
| | Maximum Possible | |
| | TOTAL SCORE | 95 |
| | Maximum possible | |

Consultants' Evaluation System - Interviews

| Criteria | | Score | Remarks |
|---|---|-----------|---------|
| Presentation | Excellent (ie. easy to follow main points made, know what you are getting) | =5 | |
| | Good (ie. fairly easy to follow, most major points well made, know most of what you are getting) | =2 | |
| | Poor (ie. difficult to follow, few points made, not sure what you are getting) | =0 | |
| Personality and maturity | Excellent (ie. feel you can work well with the consultant) | =5 | |
| | Good (ie. may be some problems in working with the consultant) | =2 | |
| | Poor (ie. don't feel can work with the consultant) | =0 | |
| Directness of presentation and responses to questions | Excellent | =5 | |
| | Good | =2 | |
| | Poor | =0 | |
| Questions not answered to your satisfaction (list): | | | |
| 1. | | | |
| 2. | | | |
| 3. | | | |
| 4. | | | |
| 5. | | | |
| Score poorly answered questions as follows: | | | |
| | (a) incorrect response | =5 | |
| | (b) no response | =4 | |
| | (c) incomplete response | =2 | |
| Total score | | <u>15</u> | |
| Maximum possible | | 15 | |

Consultant Evaluation System – Summary

| Consultant | Proposal Score | Interview Score | Total Score | % Total Possible (110 pts) | Rank |
|------------|----------------|-----------------|-------------|----------------------------|------|
| | | | | | |

**Attachment V
FIN-001-003**

Proposed Consultant Contract Selection Matrix

| Consultant (1) Contract Value | Selection Cost | Consultant Submission Cost | Contract Type | Selection/ Contract Cost (2) |
|---|--|--|--|------------------------------------|
| \$0-\$10,000 Manager approval | Telephone screen max. 3 consultants - \$50 Interview - \$100 | Proposal Letter form (3) - \$300 of services - \$100 Proposal when screened (1) \$1,500 | Consultant short form or P.O. for extensions | \$2,000 |
| \$10,000 to \$50,000 General Manager approval | Telephone screen 5 consultants and interview 3 - \$600 | Proposal Letter (5) - \$500 Formal Proposal (1) - \$1,500 | Over \$10,000 Short form for studies - \$100 | \$2,700 to \$3,000 |
| \$50,000 to \$100,000 Commissioner approval | Review existing list of consultants Identify 5-10-\$100 Precall interviews (5) - \$500 Proposal call - \$800 Proposal interviews - \$600 | Submissions - short form (3) - \$4,500 | Contracts and studies over \$50,000 - \$400 Study Contract for studies up to \$50,000 - APEGGA short form Agreement- \$100 | \$6,600 to \$7,000 |
| \$100,000 to \$500,000 Commissioner approval | Advertise for Letters of Intent \$200 Preliminary Screen (20) - \$200 Preliminary interviews (10) - \$1,000 | Submit Letters of Intent (20) - \$2,000 Submit Proposals (3 to 5) \$7,500 to \$12,500 | Long form Contract - \$500 | \$12,150 to \$17,650 |
| Over \$500,000 Council approval | Submission review \$300 to \$500 Selection review \$450 to \$750 Ratification - \$100 | | | |

1. Approval is based on the project being budgeted only. Council approval can be delegated to Manager level by passage of a motion to appoint a consultant
2. Included Consultant's Cost