

Request for Recommendation  
City Council




Type of Decision									
Meeting Date	September 9, 2014			Report Date	September 5, 2014				
Decision Requested	X	Yes		No	Priority	X	High		Low
	Direction Only				Type of Meeting		Open	X	Closed

Report Title
Animal Control Contract

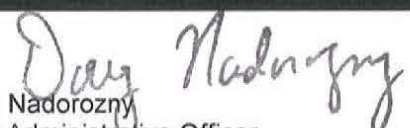
Budget Impact/Policy Implication		Recommendation
X	This report has been reviewed by the Finance Division and the funding source has been identified.	<p>THAT Council authorize the Chief Administrative Officer to enter into an agreement on a single source basis with Rainbow District Animal Control (RDAC) for the provision of animal control services, for a term of 5 years with option for 2 one-year renewals, prior to November 1, 2014, provided that staff is able to satisfactorily negotiate the terms of the agreement.</p>
	<p>If approved, the increase in costs resulting from a negotiated agreement will be treated as an unbudgeted expenditure for 2014. Any increased costs in the renewed contract will be budgeted for in 2015.</p>	
X	<b>Background Attached</b>	<b>Recommendation Continued</b>

Recommended by the Department





Paul Baskcomb  
Acting General Manager of Growth & Development

Recommended by the C.A.O.



Doug Nadorozny  
Chief Administrative Officer

Report Prepared By	Division Review
 Darlene Barker Manager of Compliance & Enforcement	 Guido A. Mazza, P. Eng. Director of Building Services/Chief Building Official

**Recommendation**

THAT Council authorize the Chief Administrative Officer to enter into an agreement on a single source basis with Rainbow District Animal Control (RDAC) for the provision of animal control services, for a term of 5 years with option for 2 one-year renewals, prior to November 1, 2014, provided that staff is able to satisfactorily negotiate the terms of the agreement.

**Purpose**

The purpose of this report is to provide Council with the background information, current status and a recommendation for the provision of animal control and pound services for the City of Greater Sudbury resulting from the procurement process for those services.

**Background**

The City of Greater Sudbury currently contracts a private firm to provide animal control and pound services. The current animal control contract was awarded in 2009, and provides animal control service to the City through enforcement of the Animal Control By-law, 2002-285 as amended and the Dog Owner's Liability Act, along with operating pound facilities on behalf of the City according to provincial legislation. The current contract, held by Rainbow District Animal Control (RDAC), which expired on March 31, 2014, has been extended to November 1, 2014. The current budgeted contract amount for animal control and pound services is \$422,892 per year.

In December of 2013, an extensive consultation process with the public, provincial agencies and other stakeholders was undertaken and on February 11, 2014, Council heard a report detailing the survey results and suggested service enhancements.

The report recommended that the RFP for animal control and pound services include the suggested service enhancements as optional services. The separate pricing over the base service price, would allow Council to consider the cost implications of the enhanced services. The RFP also included some administrative enhancements to the current scope of base services that are intended to provide tools for contract supervision, and ensure the service is accountable, transparent and consistent with current enforcement standards in the City.

A Request for Proposals (RFP) for Animal Control and Pound Services was released on March 18, 2014, with a return date of April 15, 2014. The animal control and pound service RFP was opened in April with only Rainbow and District Animal Control (RDAC), the current service provider, submitting a proposal.

The cost to provide the base level of service was significantly higher than the current budgeted value. Staff met with RDAC to negotiate, revised the terms of reference as a result of the negotiations and requested that RDAC submit a best and final offer. RDAC's best and final offer remained significantly higher than currently budgeted. This process failed to secure a provider for this service and on June 20, 2014, staff reported to Council the particulars of this outcome. Council approved the recommendation of the report to extend the contract with RDAC until November 1, 2014, to allow a new procurement process to occur.

**New Procurement Process for Animal Control Contract**

Staff initiated a new Request for Proposals (RFP) for the provision of animal control and pound services which was released on July 18, 2014, with a closing date of August 8, 2014. The RFP contained the same scope of service and options consistent with the previous RFP, with changes that may solicit a wider interest in contracting this service for the City.

The new RFP was separated into 2 components. Option A, requested proposals for the provision of Animal Control and Enforcement Services; the enforcement of CGS By-laws regulating animals, and the Dog Owner's Liability Act. Option B requested proposals for the provision of Pound Services; the keeping of animals seized pursuant to the by-law and in accordance with the provincial legislation regulated by Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA). Proponents were allowed to provide prices for the two components individually and combined. Staff felt that separating these services would attract additional bidders at more competitive costs, and provide a price reflective of the economies of scale gained by those that may bid on both options.

In addition to the structure of the RFP, staff made the following enhancements to the terms of reference;

Comparison of Terms of Reference

RFP Closing Date	Apr 15/14	Aug 8/14
Term of Contract	3 yrs with option to extend 2 yrs	5 yrs with option to extend 2 yrs
Revenue Sharing of Animal Registrations (Option A)	Registrations sold by provider = 50% of revenue	Up to 1,200 Registrations sold = 50% of revenue + All registrations sold over 1,200 = 80% of revenue
Emergency Services	Included in base price	Bid must include an hourly rate per call-out in addition to base price
Yearly Bid Options	Separate bid prices for each year	Bid price for first year only (CPI increases applicable for additional years)

As mentioned, staff felt that the changes in the scope of services for all options in the new RFP would solicit a wider interest in contracting this service and attract more competitive pricing. Changing the term of contract and bidding for emergency services separately was intended to create more certainty for potential bidders in their infrastructure investments required to provide the service. All changes are consistent with the procurement practices the City employs and were established to result in a more successful procurement process than the previous one.

Staff was successful in soliciting more interest in this RFP than the previous process, as 4 additional parties picked up the RFP documents and additional inquiries were made, however only one proposal was received.

On August 8, 2014, the RFP for Pound Services and Animal Control and Enforcement Services closed with only RDAC (the current provider) submitting a proposal for all options. Staff has reviewed the proposal and although the proponent obtained an acceptable score on the criteria related to experience and operations, the price submitted for both components in the RFP is significantly higher than the current contract value. The price submitted for the base service was more than twice the current budgeted amount. The changes in the scope of services intended to solicit a more competitive bid has not resulted in a significant change in the price submitted, as compared to the previous RFP process.

Further to the cost noted above for the base service level, additional costs were provided by RDAC for the enhancements to the service Council expressed interest in. Due to the potential increase in cost to provide the base service, staff is not recommending an increase in service levels at this time.

Based on these results, staff reviewed the cost of providing this service using City staff and resources. This high level review did not appear to provide substantial financial advantage for Council.

**SUMMARY**

Staff has made every effort through the two separate procurement processes to solicit additional bidders and obtain more competitive bids without success. Given that the most recent procurement process completed on August 8, 2014, has been unsuccessful, again with only one bidder, staff has entered into discussions with RDAC to arrive at a final cost and scope of services to provide animal control services for the City. The negotiations have been successful to date in reducing costs of the proposed contract from the tendered amount, however at this time we cannot provide the final results.

Staff is recommending that Council authorize the Chief Administrative Officer to enter into an agreement on a single source basis with RDAC for the provision of animal control services, for a term of 5 years with option for 2 one-year renewals, prior to November 1, 2014, provided that staff is able to satisfactorily negotiate the terms of the agreement.