



CITY OF HAMILTON

**Public Health Services
Health Protection Division**

TO:	Mayor and Members Board of Health
COMMITTEE DATE:	July 10, 2014
SUBJECT/REPORT NO:	Airshed Model Procurement - BOH13029(a) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Matthew Lawson 905-546-2424, Ext. 5823
SUBMITTED BY:	Elizabeth Richardson, MD, MHSc, FRCPC Medical Officer of Health Public Health Services Department
SIGNATURE:	

RECOMMENDATION

That the Medical Officer of Health be authorized and directed to negotiate and execute a funding agreement for the development of an airshed model with the Hamilton Industrial Environmental Association Inc. in an amount not to exceed \$125,000, in a form satisfactory to the City Solicitor, to be funded from the approved 2014 Capital Budget (Project ID No.6771457100).

EXECUTIVE SUMMARY

In December 2013, the Board of Health and Council members approved: *"That the Medical Officer of Health, in partnership with Clean Air Hamilton be directed, pending identification of a funding source, to procure the development of an advanced airshed model for the City of Hamilton as described as "Recommendation 1" of the Air Quality Task Force Action Plan (BOH13029)."*

The Hamilton Industrial Environmental Association (HIEA) has been identified as a potential partner to help both fund and procure an airshed model for Hamilton. HIEA has expressed an interest in funding up to \$125,000 of the expected \$250,000 cost of the project, while the City would fund the remaining \$125,000 using funds approved by council under the 2014 capital budget. In addition, HIEA members have skills and expertise related to air modelling above that of City staff, and as such, would be agreeable to procuring an airshed model for Hamilton.

Alternatives for Consideration – See Page 3

FINANCIAL – STAFFING – LEGAL IMPLICATIONS (for recommendation(s) only)

Financial: The following financial benefits would result from approving the above recommendation:

- The City secures a partner to fund half (\$125,000) of the total project cost (\$250,000)
- The City saves money in consulting fees that would result from Public Health Services (PHS) leading the procurement of an airshed model

Staffing: There will be no change to staffing levels.

Legal: The City will enter into a funding agreement with HIEA, whereby the City agrees to fund the project to a maximum of \$125,000. The agreement will set out the date by which the project needs to be completed, a schedule of payments and expected deliverables. Deliverables will include a copy of the airshed modelling results. The City may choose to update the modelling results in future years, at its expense and at its discretion.

HISTORICAL BACKGROUND (Chronology of events)

In December 2013, the BOH approved PHS, in partnership with Clean Air Hamilton (CAH), to lead the procurement of an airshed model for the City of Hamilton. The procurement of an airshed model for the City was a pivotal recommendation contained in the Air Quality Task Force Action Plan, developed by a working-group of CAH.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

No policy implications and/or legislated requirements have been identified.

RELEVANT CONSULTATION

Legal Services – provided a review of the report recommendation to identify any legal implications.

Financial Services (Procurement) – provided a review of the report recommendation to identify any potential conflicts with the City's Procurement By-law.

ANALYSIS AND RATIONAL FOR RECOMMENDATION

HIEA is a not-for-profit corporation. Its mandate is "to improve the local environment - air, land, water - through joint and individual activities, and by partnering with the community to enhance future understanding of environmental issues and help establish priorities for action." HIEA is comprised of a group of member companies who are leaders within the industrial community of Hamilton (www.hiea.org).

As the nature of airshed modelling is complex, technical work, the unique make-up of HIEA's member companies place HIEA in an advanced position to quickly and efficiently procure airshed modelling services from a competent, qualified vendor. HIEA would be able to call upon resources from member companies with the necessary skills to identify, articulate and draft technical specifications that a project such as this requires. It is expected that a procurement process lead by HIEA would result in a shorter, more advantageous timeline for the overall life of the project than if the procurement process were led by PHS.

The funding agreement prepared by Legal Services will allow PHS to receive all final deliverables of the project. In addition, HIEA will seek to form a project steering committee that would be comprised of representatives from various key stakeholders (i.e., PHS, Ministry of the Environment (MOE), CAH and community) to oversee the development and execution of the project.

ALTERNATIVES FOR CONSIDERATION

The Board of Health can choose not to allow the Medical Officer of Health to negotiate a funding agreement with HIEA.

Financial: PHS would need to hire a consultant to assist in the preparation of specifications of work for an RFP. Funding for this would either reduce funding available to develop the model, or would need to be reallocated on a one time basis from the operational budget.

Staffing: Staffing resources would need to be reallocated from other program priorities to work through the RFP process.

Legal: The City's procurement process would apply to the procurement of the airshed model. The RFP document and the proposal submitted by the successful proponent would comprise the contract. The City would be the owner of the airshed model and would have maintenance responsibilities for the model, unless maintenance was also incorporated into the contract with the vendor.

Policy Implications or Legislated Requirements: No issues

Pro: PHS could still proceed in leading the procurement of the airshed model via a Request for Proposal (RFP), in accordance with the City's Procurement By-law.

Cons: PHS does not have staff with all of the skills needed to identify, describe and draft specifications of work that would be required to hire a vendor via the RFP process for this type of work. As a result, PHS would seek to hire an engineering consultant capable of interpreting expected deliverables from the project, so that technical work specifications could be prepared to hire a competent vendor.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

- 2.1 Implement processes to improve services, leverage technology and validate cost effectiveness and efficiencies across the Corporation.
- 2.4 The recommendation contained in this report addresses this priority with a cost-conscious approach

APPENDICES AND SCHEDULES ATTACHED

No Appendices Attached