



## CITY COUNCIL ACTION REPORT

June 12, 2007

TO: Phillip L. Nelson, City Manager

FROM: Brian P. Murphy, Assistant City Manager/Economic Development Services  
Susan A. Leirstein, Purchasing Director  
Mark F. Miller, Planning Director  
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SUBJECT: Standard Purchasing Resolution 8: Best Value Award - Development Approval/Permit Process Consultant

### **Background**

- On April 24, 2007, Request for Proposals (RFP) were received and opened to provide a review and analysis of the City's permitting processes and recommendations to improve and streamline the process.
- One Hundred Forty-Five (145) vendors were notified via the MITN system with six (6) bidders responding of which two (2) companies did not meet minimum pass/fail requirements.
- Four (4) firms were interviewed on June 4, 2007. Following the interviews and scoring, city staff felt it necessary to hold a second interview with the low bidder out of concerns of the ability to complete the work at the bid price.
- The low bidder, McKenna Associates, indicated in the affirmative that they are able to conduct the study as submitted, and offered to share samples of their work product.
- Staff subsequently reviewed the samples, and does not recommend awarding to the low bidder. The samples provided were more of a cursory review of the current practices and process mapping output for non-comparable communities. The samples contained no written survey data or analyses as required in the City's Request for Proposal. Some of the samples touched on existing software packages being used by the entity but each lacked advice on new proposed technological tools. Although one sample mentioned computerizing a task no suggested solution was proposed. In addition, the samples lacked detailed directions and recommendations and none of the samples included a comprehensive permit process review. Since the goal of the study is to review the City's current processes and make in-depth suggestions with a goal to reduce permitting turnaround times, it is not recommended that the contract be awarded to the low bidder.
- City staff recommends awarding the contract to Zucker Systems. A City staff review of Zucker Systems work, product and methodology was found to be robust, comprehensive and will provide added value towards the City's goal to reduce permit turnaround times and streamline organizational processes.

June 12, 2007

To: Phillip L. Nelson, City Manager  
Re: Development Approval/Permit Process Consultant

**Financial Considerations**

- Funds for the project are available in Real Estate and Development's account, #740.7816.010.

**Legal Considerations**

- RFP-COT 07-10 for Development Approval / Permit Process Consultant was competitively bid and opened with six (6) bidders responding.
- All bidders were given the opportunity to respond with their level of interest in providing consulting services regarding the City's development approval and permit processes.
- The contract award is contingent on the recommended bidder's submission of proper contract and supplemental documents, including insurance certificates, and all other specified requirements.

**Policy Considerations**

- Minimize the cost and increase the efficiency and effectiveness of city government. (Goal II)
- Retain and attract investment while encouraging redevelopment. (Goal III)
- Effectively and professional communicate internally and externally. (Goal IV)

**Options**

- City management recommends awarding a contract for development approval/permit process consulting services to the highest scoring respondent as a result of a best value process, Zucker Systems of San Diego, CA, for an estimated total cost of \$58,700.00.



## EXECUTIVE SUMMARY

### Development Approval / Permit Process Consultant

#### STATISTICS:

- ◆ **One-Hundred Twelve (112) Firms were notified via the MITN e-procurement website**
- ◆ **American Planning Association posted a notice on their website, which offers the service free to its members and the public**
- ◆ **Six (6) proposals were received**
- ◆ **Four (4) firms met the pass/fail criteria and were interviewed**
- ◆ **One (1) firm was eliminated after interview was conducted**
- ◆ **Zucker Systems received the highest score as a result of a best value process**

The following bidders submitted a proposal and received the indicated final scores:

Firm	SCORE
Zucker Systems	75.4
D.B. Hartt Inc.	73.4
Virchow, Krause & Company, LLP	72.2

#### REQUEST FOR PROPOSALS – FIRMS ELIMINATED FROM FURTHER CONSIDERATION (BASED ON PASS/FAIL MINIMUM REQUIREMENTS AND COMPARABLE PROJECT EXAMPLES)

- Management Partners, Inc.
- Sikich LLP
- McKenna Associates

#### Attachments:

- ✓ Weighted Final Scoring Including Proposal, Interview and Price Scoring
- ✓ Evaluation Process



WEIGHTED FINAL SCORING

Development Approval / Permit Process Consultant

Final Score Calculation:

$$\begin{array}{r}
 20\% \times \text{Proposal Score} \\
 40\% \times \text{Interview Score} \\
 40\% \times \text{Price Score} \\
 100\% \qquad \qquad \qquad = \text{Final Weighted Score}
 \end{array}$$

In order to equate the price to the weighted evaluation process scoring, the prices had to be converted into a score with the base of 100. **NOTE:** Vendors are listed in interview order.

Weighted Average Score for Proposals: 20%

RATERS	1	2	3	4	AVERAGE
Vendors:					
Zucker Systems	100	92	96	100	97
D.B. Hartt Inc.	79	69	88	65	75
Virchow, Krause & Company, LLP	93	75	85	78	83

Interview Score: 40%

Raters:	1	2	3	4	AVERAGE
Vendors:					
Zucker Systems	94	92	83	97	92
D.B. Hartt Inc.	72	74	79	63	72
Virchow, Krause & Company, LLP	90	92	89	75	87

Weighted Average Score for Price: 40% -

RATERS	Weighted Criteria – Difference in Costs (1-(Proposal price - lowest price)/low price) x available points
Vendors:	
Zucker Systems	$(1-(58,700.00-38,500.00)/38,500.00) \times 100 = \mathbf{48}$
D.B. Hartt Inc.	$(1-(48,700.00-38,500.00)/38,500.00) \times 100 = \mathbf{74}$
Virchow, Krause & Company, LLP	$(1-(56,950.00-38,500.00)/38,500.00) \times 100 = \mathbf{52}$

FINAL WEIGHTED SCORE:

VENDORS:	Zucker Systems	D.B. Hartt Inc.	Virchow, Krause & Company, LLP
Score			
Proposal Score: (x .20) =	97 x .20 = 19.4	75 x .20 = 15	83 x .20 = 16.6
Interview Score: (x .40) =	92 x .40 = 36.8	72 x .40 = 28.8	87 x .40 = 34.8
Price Score: (x .40) =	48 x .40 = 19.2	74 x .40 = 29.6	52 x .40 = 20.8
Final Score:	75.4	73.4	72.2

\*\* HIGHEST RATED VENDOR – RECOMMENDED AWARD



## SELECTION PROCESS

### **CRITERIA FOR SELECTION**

The identified City Committee will review the proposals. The City of Troy reserves the right to award this proposal to the consultant considered the most qualified based upon a combination of factors including but not limited to the following:

- A. Compliance with qualifications criteria
- B. Completeness of the proposal
- C. Financial strength and capacity of the consultant
- D. Correlation of the proposals submitted to the needs of the City of Troy
- E. Any other factors which may be deemed to be in the City's best interest
- F. Evaluation Process

### **Phase 1: Minimum Qualifications Evaluation**

Firms will be required to meet minimum established criteria in order to go to the second phase of the process.

### **Phase 2: Evaluation of Proposals**

Each City Committee member will independently use a weighted score sheet to evaluate the proposals; each Committee Member will calculate a weighted score. The scores of the Committee Members will be averaged into one score for each firm for this phase of the process.

### **Phase 3: Interview Score**

At least, the top three (3) rated firms will be invited to participate in an interview. If less than three (3) candidates remain in the process, all will be interviewed. Each City Committee Member will independently use a weighted score sheet to evaluate the Interview; each Committee Member will calculate a weight score. The scores of the Committee Members will be averaged into one score for each firm for this phase of the process. Those being interviewed may be supplied with further instructions and requests prior to the interview. Persons representing the firm at the interview must be the personnel who will be assigned to this project.

### **Phase 4: Price**

Points for price will be calculated as follows:

$$\text{FORMULA} \quad - \{1 - (\text{Proposal Price} - \text{Low Price}) / \text{low price}\} \times \text{available points}$$

### **Phase 5: Final Scoring and Selection**

The firm with the highest final weighted score will be recommended to the Troy City Council for Award.

- 20% Proposal Score (100 point base)
- 40% Interview Score (100 point base)
- 40% Price Score (100 point base)

**Note: The City of Troy reserves the right to change the order or eliminate an evaluation phase if deemed in the City's best interest to do so.**

