

In the news June 2004

Alberta's online purchasing connection

by Marilyn Dumont (Edmonton)

June 1, 2004 marks the date when the Government of Alberta makes available two electronic tendering systems to its own departments and staff and Alberta MASH sector purchasers. The Alberta Purchasing Connection (APC) will host purchasing opportunities for goods, services and construction, while COOLnet (Construction Opportunities On-Line) will continue to host construction opportunities.

The APC (www.purchasingconnection.ca), an Internet-based source of information on purchasing opportunities from the Government of Alberta and the Alberta MASH (municipal, academic, schools and hospitals) sector, is Alberta's new website where purchasers and vendors do business – using a high-end system on par with the BC and Quebec e-tendering systems. Following a public tendering process, Pandall Technology Corporation from Calgary was selected to design, build and test the system. The firm customized its proprietary software to create the user-friendly APC.

“The system is comprehensive,” says Andre LaPierre, project consultant for the APC Project Team, and “offers purchaser flexibility in creating different types of purchasing opportunities.” For example purchasers may access opportunities under *AIT (Agreement on Internal Trade)* thresholds. Another attractive feature of the system is that it is a free service.

Alberta Purchasing Connection is designed to maximize competition and give vendors from Alberta and across Canada direct access to Alberta's public sector purchasing opportunities and reduce the administrative burden on the purchaser to distribute solicitation documents.

The website offers a user-friendly, single point of access to Alberta and Canada-wide public sector procurement opportunities, an online library of information on Alberta's *AIT*, and allows a purchaser to track vendor interest.

Vendors can browse, locate and download purchasing opportunity documents as well as view their historical usage of the APC.

The pilot phase (March 15-May 14, 2004) gave purchasers an opportunity to familiarize themselves with the APC by entering test data to identify any potential problem areas prior to launch. All data entered within the pilot phase was for the sole purpose of testing the system and, therefore, was not available to the vendor community. The test data was erased from the system at the end of the pilot phase.

A purchaser ID and password were required to access the pilot website and were provided once participants enrolled in training.

From April 1 to May 5, 2004 training sessions, delivered by Alberta government trainers, took place throughout Alberta for anyone from Government of Alberta departments, the Alberta MASH sector and members of the Alberta government who are involved in any aspect of procurement.

Two kinds of instructor-led training were available: user training for individuals and “Train the Trainer” for larger organizations whereby a key individual in the system receives training and in turn passes this training on to others in the organization.

User feedback during the pilot phase was positive and at the end of the pilot phase, Andre LaPierre expected the training enrolment to be 600 to 700 people.

With the vendor side of the APC being designed to be user-friendly, no instructor-led training is planned for the vendor community. However, as of the end of April 2004, a multimedia demonstration package for vendors was made available online for viewing at www.purchasingconnection.ca. In addition, in June, a downloadable APC vendor’s information manual in PDF format, will be available on the same website.

Accessing the APC

The APC site is designed differently for purchasers and vendors.

Purchasers require a current version of Internet Explorer Version 5.5 SP2, (Version 6.0 or newer is also compatible). The full APC function cannot be accessed by older versions of Internet Explorer or other browsers.

Vendors may access the site from a wider variety of computer configurations and, as of June 1, 2004, are required to register with the system before using it. Once a vendor registers, they may submit their business information to the APC vendor directory – a tool for vendors to market their business to purchasers from the Government of Alberta and the Alberta MASH sector. For vendors, a convenient feature of the directory is the ability to edit and update their directory profiles online themselves.

Alberta Purchasing Connection features include:

- no fees;
- regionally focused system with a window onto the national scene;
- available training and support;
- online library;
- Canada-wide procurement access; and
- tools to track vendor interest and historical usage of system.

SELECT: construction contracts by invitation

by Gina Gillespie (Ottawa)

SELECT is a procurement system used by Public Works and Government Services Canada (PWGSC) to identify qualified firms which can be invited to bid on construction contracts for less than \$100,000, and architectural and engineering (A&E) contracts for less than \$89,000. SELECT evolved from the merger of SPEC and ACCORD systems, formerly used by the federal government to award minor construction and A&E contracts. Merging two procurement tools into a single rotational sourcing system involved some complex computer programming, but the result is a fair and transparent system that cannot be manipulated by the users.

The concept is simple. Companies obtain a procurement business number (PBN) and then register with SELECT. Firms are pre-qualified and put on a list. A computer matches job requirements to qualified firms on a rotational basis. Depending on the requirement, one firm may be offered the work or several firms may be invited to compete, with the work going to the lowest bidder. In the event of equal qualifications, the computer will choose firms with the least points of opportunity. Points are awarded when a company is given a chance to bid, whether or not it gets the job. SELECT saves the cost of large competitions, multiple submission packages and evaluating bids, and allows contractors to spend more effort on the job instead of on the paperwork.

Shawn Gardner, manager of real property contracting at PWGSC, compares the system to a locked filing cabinet. You slide your requirements into the crack in the cabinet drawer, and five names pop out that match that requirement. You don't get to open the drawer and see who's in the cabinet.

"You really can't manipulate the firms that are coming out, and that's something that we really strongly stand behind. We can say abuse will never happen, but if the perception is that there's an opportunity, then people start losing trust in the system. So we've been able to keep that trust factor there by ensuring that the information isn't easily available to the people that are making the selections. That means an awful lot of programming, so it was a relatively complex system to develop," says Gardner.

As SELECT approaches its second anniversary, both government and users agree the system provides an equitable selection process that's easy to use.

"The old system was good, and this one is good. We've always found the system effective and efficient to use, and that's why we use it so much," says Ron DeVries, vice-president of contract and client services for Defence Construction Canada. Over 30 percent of their contracts, representing 200 per year, come through the SELECT process. "The call up times are very short, and it allows us to get contracts in place very quickly," says DeVries.

To qualify for SELECT, construction firms require a minimum of one-year experience in the field in which they are seeking contracts. And they must provide three reference projects they have worked on. Firms must do the work themselves, and not rely on subcontractors. For construction work, the qualifications apply to the firm, not the

tradesman. So an experienced tradesman who starts his own business will not be eligible for SELECT until the new business meets the required standards.

“There’s a difference between knowing how to paint a wall, and knowing how to pay EI benefits, going to the bank, getting a line of credit and various other things,” explains Gardner.

Different standards apply for architects and engineers, where the experience belongs to the professional, not the firm. At least one professional on the job must have five years experience, regardless of the longevity of the firm, although follow-up workers can have three years of experience.

Eric Lee, senior director of industry practices for the Canadian Construction Association says the greatest benefits of using the SELECT System for their members come from saving time. “If you have renovation work and you need to go through the open bidding system, it takes a long time and you require several days for bidders to submit quotes,” he says.

Gardner agrees. “SELECT’s advantage over open bidding is that we do not have to add a great deal of time for bidders to see the requirement, order the package, and then prepare their bids. SELECT identifies the firms and we can approach the firms directly by sending them the bidding package right away – saving time and effort for both industry and the government,” he says.

Currently, 13,500 firms have registered with SELECT. Of that number, over 10,000 are construction or maintenance firms, and 2,800 are architects, engineers and other real property professionals. Included in those numbers are major firms as well as “mom and pop” shops and tradesmen working from the back of a pick-up truck. They’re working on a diverse range of projects from office buildings in the National Capital Area to coastal wharves and remote RCMP detachments.

“It’s for smaller dollar requirements. We’re not excluding bigger firms, but for smaller firms, SELECT makes it a level playing field for the smaller jobs,” says Gardner.

Cool Vancouver leads by example

The City of Vancouver is reducing their greenhouse gas emissions while meeting the needs of City Hall. Vancouver employs over 8,000 people and has buildings, facilities, vehicles and other assets, which need to be managed in a sustainable manner. As well, it builds and maintains infrastructure such as roads, water and waste systems and landfills that must be developed and maintained. City Council approved a corporate greenhouse gas reduction target of 20 percent below 1990 emission levels by 2010 and adopted a greenhouse gas action plan – addressing emissions resulting from energy use in civic

facilities and fleet operations as well as landfill emissions associated with the waste generated by city operations.

The Corporate Climate Change Action Plan (www.city.vancouver.bc.ca/sustainability) includes communications plans and initiatives related to the above and purchasing green power. In late April, the city was awarded a Green Power Certificate from BC Hydro recognizing the city's purchase of green power. BC Hydro defines green power as socially-responsible electricity, generated with minimal environmental impact from renewable resources.

Newfoundland deals with household hazardous waste

Newfoundland and Labrador's Crown agency, the Multi-Materials Stewardship Board (MMSB), issued a tender for a certified environmental contractor to manage all operational aspects of household hazardous waste (HHW) collection events. In partnership with provincial municipalities and Environment Canada, MMSB will hold up to 15 HHW collection events in as many as 10 municipalities from June to October 2004. The Invitation to Tender is for a one-year period with an option to renew for a second year.

MMSB is responsible for developing, implementing, and managing waste diversion programs in Newfoundland and Labrador. Under the provincial Waste Management Strategy, initiatives include: recycling programs for beverage containers, tires, oil, and household hazardous waste; the Waste Management Trust Fund; as well as public education and information programs for recycling and waste reduction. Since 1998, the HHW collection program has diverted approximately 280,000 litres of HHW, helping to reduce disposal problems at provincial landfill sites in a cost effective manner.

Halifax puts the wheels on visitor services

In late April, Halifax Regional Municipality (HRM) began delivering visitor info using new technology – a Segway HT. The Segway, which looks like a pogo stick on two wheels, has a platform large enough for an average human to stand upright. It can go where most people can walk, complete a full turn with a zero radius and doesn't take up any more space than a pedestrian. From June to October, city staff, connected by cell phones to Visitor Information Centres and Check-In Nova Scotia, will use the two units that were purchased to distribute information and improve the delivery of visitor services along the Halifax waterfront boardwalk, a popular tourist destination.

About the Canada Border Services Agency

CBSA was created mid-December 2003 as part of the Hon. Anne McLellan's new portfolio of Public Safety and Emergency Preparedness – which includes emergency

preparedness, crisis management, national security, corrections, policing, oversight, crime prevention, as well as border services. According to the website (www.cbsa-asfc.gc.ca/agency), the CBSA integrates key functions previously held by three organizations: customs (formerly at the Canada Customs and Revenue Agency); the intelligence, interdiction and enforcement program (from Citizenship and Immigration Canada); and import inspection at Canadian ports (from the Canadian Food Inspection Agency). The CBSA will manage Canada's borders by administering and enforcing Canadian laws applicable to trade and travel, as well as international agreements and conventions. The CBSA operates at nearly 1,400 service points across Canada and nearly 40 locations abroad, using state-of-the-art technology as well as detector dog units.

US introduces procurement reform bill

Source: summary of an article by Jason Peckenpough, April 28, 2004. govexec.com

In late April, the chairman of the United States' House Government Reform Committee, introduced the *Acquisition System Improvement Act (ASIA)* which would overhaul how the US government buys services. Measures included giving US government agencies permanent authority to award share-in-savings contracts (sharing the savings from contracting efficiencies with companies) as well as the creation of a government-industry exchange program for acquisition personnel, similar to a government-industry program for technology workers. According to *govexec.com*, *ASIA* would also consolidate several agency boards of contract appeals into two boards, one for the Defense Department and one for all civilian agencies.

Both the share-in-savings contracting – which has not been used often – and the exchange program are under fire. Critics point to a 2003 Congressional Budget Office estimate that says share-in-savings contracting could cost agencies US\$450 million over 10 years, and that the exchange program would “only exacerbate problems associated with federal officials leaving to take positions with contractors.”

Fraser Health acquires needle-stick prevention devices

In a move to decrease the risk of health care staff accidentally sticking themselves with needles used in the course of their daily work, BC's Fraser Health Authority (FHA) has awarded a contract to Becton, Dickinson and Company (BD) to supply safety syringes, IV and winged steel needles. The needles are equipped with a safety device that, when activated by the user, covers the sharp point of the needle. They will be used in acute care, residential care and home/community care settings across the Fraser Valley (www.fraserhealth.ca). Research shows that one of the top health and safety concerns of health care staff is the possibility of contracting HIV or hepatitis from a needle-stick injury. Awarding this contract makes Fraser Health the first in Canada to embrace broad-scale standardized use of needle-stick prevention devices.

Following a competitive process, the Fraser Health multi-disciplinary clinical products task force conducted an in-depth review of all submissions and multiple options, before deciding on BD. Becton, Dickinson and Company is a medical technology company that manufactures a broad range of medical supplies, devices, laboratory equipment and diagnostic products. According to David Lawson, Fraser Health's director of materiel management, "Cost analyses are beginning to indicate that, in the long term, the use of needle-stick prevention devices will be cost-effective, and even more importantly, will save health care workers the emotional and physical toll associated with needle-stick injuries."

Clementine™ darling of skiers' training site

The Calgary Olympic Development Association, which is building a training facility for the Canadian National Ski Team on the Farnham Glacier in Alberta, has purchased a mobile wastewater treatment plant called Clementine™, from Ottawa-based, Seprotech Systems Inc. (www.seprotech.com). Seprotech, launched the new product in March 2004, saying it is as easy to operate as a portable generator, and each unit can support up to 150 people.

Each Clementine™ system, which costs just under CAD\$200,000, incorporates Seprotech's proprietary ROTORDISK® technology (sewage treatment), and is designed to meet International Standard Organization (ISO) shipping container dimensions, making it easily transportable for use virtually anywhere in the world.

Saskatoon's assessment process goes 'live'

Accurate, fair and equitable – when it comes to assessment and taxation, those are words the City of Saskatoon takes seriously. The city was the first in Saskatchewan to initiate a project to convert legacy land data and develop a leading-edge solution that will help the city to move to a market value assessment method by 2009. NovaLIS (www.novalistech.com) and its partner, Valcura (www.valcura.com), worked closely with Saskatoon to replace the city's old DOS-based, legacy assessment system with NovaLIS Assessment Office™ and Valcura's Market Valuation Tool, which provides integration and market modeling capabilities. Saskatoon's old system was based simply on a cost approach to valuation; NovaLIS Assessment Office™ allows for three valuation methods to be used: cost, income, and sales comparison. The new system gives city appraisers more time to perform their required tasks and allows Saskatoon to move towards handheld technology with a real time data feed – enabling city staff to give assessment change estimates to property owners immediately.

The Canada School of Public Service

In an effort to provide a more unified approach to learning and development in the Public Service of Canada, the Canada School of Public Service, officially opened on April 1, 2004. It brings together three institutions: the Canadian Centre for Management Development (CCMD), Training and Development Canada (TDC) and Language Training Canada (LTC). The school's leadership and learning centres will provide learning services in four key areas:

- Leadership and Career Development
- Public Administration
- Professional Development
- Official Languages

The school will also offer customized courses designed to reflect organizational realities that can be delivered at a time and location chosen by the client. More information can be obtained by contacting Richard Rochefort at richard.rochefort@csps-efpc.gc.ca.

Saskatchewan introduces new *Purchasing Act*

On March 31, 2004, Saskatchewan introduced a new *Purchasing Act*. Designed to increase efficiency and save money, the *Act* enables the province to work with other public institutions, such as health districts and schools, on joint purchasing activities. It also provides departments and agencies the opportunity to give preference to environmentally-friendly products or to Saskatchewan suppliers on tenders under the *Agreement on Internal Trade (AIT)* thresholds (\$25,000 for goods and \$100,000 for services purchased or construction projects) where price differences are not significant.