

VPM: Looking to the Future

Scott Luchak, P.Eng.

Chair, NCHCA VPM Committee

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Outline

- NCHCA VPM Committee – What do we do?
- General Comments on VPM Program
- Comments from NCHCA Members
- City Commitments
- Closing remarks

NCHCA VPM Committee – What do we do?

Mandate

- To contribute to the ongoing improvement of the City of Ottawa's Vendor Performance Management System by providing industry's feedback, perspective, and position.

How do we do this?

- Collect Industry feedback through surveys, board meetings, etc.
- Present feedback and share industry concerns/ideas through quarterly meetings with the City.

Introductory Remarks

- Industry supports a quality-based selection system that is fair, equitable, unbiased, and transparent.
- Properly applied, VPM will contribute to building effective and collaborative relationships between the City and Contractors to ensure the best possible project outcomes.
- Industry has long-standing concerns with the VPM program and suggestions for improvement which have been brought forward over the years.

Comments from our Members - 1

- Do not necessarily receive ongoing feedback in accordance with the VPM Business Process Guide.
- The “no surprises” strategy is not necessarily used in accordance with VPM Business Process Guide.
- Contractors and PMs are not on the same page as to what constitutes a good score. PMs are not on the same page as to what constitutes a good score.
- Final scores are not necessarily entered into Merx within 20 days as required by the VPM Business Process Guide

Comments from our Members - 2

- Contractors are not necessarily given the opportunity to discuss final scores before it is posted.
- \$100,000 is not the right level of project value to be subject to VPM. It should be applied to projects over \$500,000 or more.
- Overwhelmingly, that VPM should take project size, value, duration and complexity into account.
- Where the two lowest bidders have above-average scores, tender award should be based on lowest price.
- Biggest concerns are subjectivity, inconsistent application and bias.

City Commitments to Address Concerns

- In our 2024 Q2 meeting with the City, noted plans to review program subjectivity. Review was to commence Sept/Oct. 2024.
- In our 2024 Q4 meeting, City noted plans to build out a City Project Manager Training Program
 - To ensure consistency and standardization in scoring, addressing subjectivity concerns from Industry
 - To harmonize the goals and expectations of vendors and project managers
 - Drive continuous improvement and ensure all project managers are aligned on best practices
 - Timeline 2025

Closing Remarks

- NCHCA is looking forward to learning more about the outcome of the City's review of the program, as well as the development of their training program.
- NCHCA appreciates the opportunity to collaborate with the City on this important initiative, and looks forward to continuing to work together on developing the best possible system.

Thank you!

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