

# TORONTO TRANSIT COMMISSION REPORT NO.

**MEETING DATE:** July 6, 2011

**SUBJECT:** PURCHASE AUTHORIZATION – INFORMATION TECHNOLOGY  
PLACEMENT FIRMS FOR TECHNICAL SERVICE ASSISTANCE

## ACTION ITEM

---

### RECOMMENDATION

It is recommended that the Commission approve the issuance of contracts to the following seventeen companies for the period from September 1, 2011 to December 31 2013, in the upset limit amounts indicated:

1.	Adga IT Systems Inc. (formerly IT/Net - Toronto Inc.).	\$ 1,350,000
2.	Bevertec CST Inc.	\$ 1,582,000
3.	Calian Ltd.	\$ 1,275,000
4.	Deloitte Inc.	\$ 182,000
5.	Eagle Professional Resources Inc.	\$ 1,350,000
6.	ESRI Canada Limited	\$ 125,000
7.	GSI International Consulting Group	\$ 1,275,000
8.	Ian Martin I.T.	\$ 1,582,000
9.	Imex Systems Inc.	\$ 75,000
10.	iVedha Inc.	\$ 125,000
11.	KPMG	\$ 182,000
12.	Open Text	\$ 107,000
13.	ProCom	\$ 1,350,000
14.	Sani International Technology Advisors Inc.	\$ 125,000
15.	S.I. Systems Partnership	\$ 1,275,000
16.	Sierra Systems Group Inc.	\$ 1,582,000
17.	T.E.S. Contract Services Inc	\$ 1,457,000

Total Upset Limit Amount all contracts \$ 15,000,000

### FUNDING

Sufficient funding for these expenditures has been included in Program 7.1 Corporate Systems and 7.2 Intelligent Transportation and Technical Systems, as set out on pages 1205-1401 inclusively of the 2011 to 2015 TTC Capital Program, approved by City Council in January 12, 2011. These upset limits may be revisited should the Commission approve additional funding for new or expanded Capital projects.

Funds have also been included in the 2011 TTC Operating Budget and will be provided for in future Operating Budgets as required.

**BACKGROUND**

The TTC's Information Technology Services Department (IT) supports extensive computer systems and communications infrastructure throughout TTC's operations. This group is responsible for a full range of system development and "state of good repair" Capital projects. The permanent IT staff for these activities is limited, and it is necessary to supplement TTC staff with technical expertise from external sources to meet their systems projects requirements which are part of the approved Capital Program. Consequently, IT requires the services of Information Technology Placement Firms to provide qualified resources on an as required basis for various TTC IT projects for periods ranging from 3 to 36 months.

Since 2001 these types of contracts have provided IT the flexibility to secure resources in a timely manner. The expertise these resources provided have either augmented our current staff's knowledge or provided specific expertise that IT staff does not possess. In large measure the contract supports the requirement for short duration contractors with specialized skills. Beginning in 2006, an annual review process was implemented to identify longer-lasting work assignments and assess whether permanent positions would better fit the requirements. Through that process a number of contractors were replaced with permanent employees resulting in a savings in labour costs. Staff will continue this process assessing requirements lasting longer than 2 years to identify whether the requirement would be better served with a temporary employee or if the need justified a permanent staff resource.

**DISCUSSION**

In September 2010 the City began a Request for Expression of Interest (REOI) process, which was publicly advertised on the City's website and concluded in March 2011. The purpose of the REOI was to establish a roster of technical resources to supply professional services for individual IT projects up to a maximum of ten of the highest technical scoring respondents per category. The required work was divided into six categories of which the TTC only requires services in four of the categories (e.g. Standard Services, Document /Information Management Services, Data Warehousing and Geospatial Service).

The approach used by the City is similar to the process the Commission has been using for approximately ten years. As a result it was decided not to proceed with a TTC RFP, rather staff is recommending joining with the City for the supply of the required services. Therefore, staff is recommending that the TTC use the City's procurement process as the basis of awards of contracts for IT technical services (the City's evaluation criteria is attached as Appendix "B"). Staff has contacted the 17 recommended companies that met the qualification requirements for the four categories of services required by the Commission and all have agreed to contract with the Commission for these services.

Staff is recommending awards to seventeen companies based on the four categories required by the Commission, refer to Appendix A and intends to award contracts in the upset limit amounts as stated in the recommendation. The upset limit amounts were determined based on the number of categories recommended to be awarded to each company and the forecasted requirements for future projects in these categories.

Approximately 85% of expenditures are expected to occur under the Standard Services category and approximately 5% each in the other three categories (i.e. Document /Information Management Services, Data Warehousing and Geospatial Services). In addition, six of the recommended companies are currently under contract with the Commission (ADGA IT Systems Inc., Bevertec CST Inc., GSI International Consulting Group, Ian Martin I.T., ProCom and T.E.S. Contract Services Inc.) and their recommended upset limits also include an appropriate allowance to complete existing work assignments.

Once the upset limits are in place, the actual assignment of budgeted work will be based on a competitive process (See Appendix C – Work Assignment Process). Once a requirement in a category is identified, all of the qualified companies for that category are requested to submit the resumes and hourly rates for up to three proposed candidates for that assignment. The proposed candidates are evaluated based on qualifications and price and the company with the highest overall rated candidate would receive the assignment. Funds cannot be expended unless a company receives a Work Assignment.

The recommended upset limits are based on anticipated service requirements. Based on each company's success in receiving actual work assignments, staff will reallocate the recommended funds between companies and obtain approval for additional funds for future years for these contracts in accordance with the Commission's Authorization for Expenditure and Other Commitments Policy. Requirements will be reviewed based on approved budgets.

Of the eight companies who currently have contracts with the Commission, six are being recommended for award and two companies (Inteqna and Computer Horizons) are not recommended. Inteqna responded to the City's REOI however, they were not selected for any of the categories. Computer Horizons (Canada) Corp. did not submit a proposal.

**JUSTIFICATION**

The authorizations requested will allow the appropriate level of technical resources for approved Capital Programs and Operating initiatives to proceed to a successful conclusion, and work is not compromised.

-----

July 6, 2011  
9-118-75

Attachments: Appendix "A", Appendix "B", Appendix "C"

**RECOMMENDED CONTRACT AWARDS**

**APPENDIX 'A'**

Recommended Companies	Categories of Work Required by TTC					
	Standard Services*	Document Management (DM) and Information Management (IM) Services	Data Warehousing and Business Intelligence Services	Geospatial Services	Upset Limit Amount	Number of Categories Recommended
Adga IT Systems Inc. (formerly IT/Net - Toronto Inc.)	\$1,275,000		\$75,000		\$1,350,000	2
Bevertec CST Inc.	\$1,275,000	\$107,000	\$75,000	\$125,000	\$1,582,000	4
Calian Ltd	\$1,275,000				\$1,275,000	1
Deloitte Inc.		\$107,000	\$75,000		\$182,000	2
Eagle Professional Resources Inc.	\$1,275,000		\$75,000		\$1,350,000	2
ESRI Canada Limited				\$125,000	\$125,000	1
GSI International Consulting Group	\$1,275,000				\$1,275,000	1
Ian Martin I.T.	\$1,275,000	\$107,000	\$75,000	\$125,000	\$1,582,000	4
Imex Systems Inc.			\$75,000		\$75,000	1
iVedha Inc.				\$125,000	\$125,000	1
KPMG		\$107,000	\$75,000		\$183,000	2
Open Text		\$107,000			\$107,000	1
ProCom	\$1,275,000		\$75,000		\$1,350,000	2
S.I. Systems Partnership	\$1,275,000				\$1,275,000	1
Sani International Technology Advisors Inc.				\$125,000	\$125,000	1
Sierra Systems Group Inc.	\$1,275,000	\$107,000	\$75,000	\$125,000	\$1,582,000	4
T.E.S. Contact Services Inc.	\$1,275,000	\$107,000	\$75,000		\$1,457,000	3
<b>TOTAL VALUE OF AWARDS</b>					<b>\$15,000,000</b>	

\*Standard Services Category consists of the following resource types: Application Architecture, Application Design, Business Analysis, IT Asset Management/Coordination, Software and Infrastructure Testing, Systems Analysis, Technical Writing and other related work.

## **APPENDIX 'B'**

### **REOI - PROPOSAL EVALUATION CRITERIA**

#### **A. RESPONDENTS PROFILE**

- Overview
- History
- Future Plans
- Personnel, Organizational and Financial Resources
- Installed Base

#### **B. RESPONDENTS CAPABILITY, EXPERIENCE AND QUALIFICATIONS WITH RESPECT TO PREVIOUS CONTRACTS OF A SIMILAR NATURE**

- Demonstrate Specific Knowledge of, and experience
- Work of a Similar Size and Nature
- Perspective of the Critical success factors
- Recent Experience and Track Record
- Sample Resumes

#### **C. PROPOSED STAFF TEAM AND RESOURCES QUALIFICATIONS; METHODOLOGY**

- Demonstrate Specific Knowledge Of, And Experience
- Proposed Account Manager, Recruiter(s), Other Key Staff
- Organizational Chart, Defined Roles & Responsibilities
- Manager & Personnel Assigned To Work Assignments
- Resumes For All Key Internal Staff Individuals
- Strategies & Individuals to Fulfill Roles & Responsibilities Requiring Replacement Of Team Members
- Achieve Goals & Objectives:
  - brief description outlining why they should be selected to provide the service
  - summary of risks/problems/issues associated with the services & how they will mitigate against such risks
- Services Completed In An Efficient / Effective Manner
- Methods Employed To Ensure Recruitment & Selection Practices Up-To-Date
- Methodology Used in Sourcing & Selecting Resources
- All Employment Policies & Compliance Statements with Respect To Human Rights Code, Equal opportunity Employment & Workplace
- Copies Of The Terms & Conditions Of Employment
- Approach To Ensuring Typical Office Behaviour Protocols
- Approach To Ensuring Awareness & Understanding, Obligations, Regarding Workplace Legislation
- Processes To Allow Continuous Improvement
- Details on Client Service Process & Management Of Complaints

#### **D. ORGANIZATIONAL QUALITY OF RESPONSE**

## APPENDIX 'C'

### WORK ASSIGNMENT PROCESS

1. Need identified by Project Manager for budgeted project
2. Requisition approved by Director – Client Services
3. I.T. Services System Contract Administrator (ITSCA) contacts qualified companies for the applicable category and provides job details (scope of work duration of assignment) and required skills/qualifications and requests up to 3 candidates per company. Companies have up to 3 days to respond.
4. The proposed candidates' resumes/hourly rates are submitted to the ITSCA, who forwards the information to the originator for review, interview and selection. Human Resources are invited and may participate in the interviews. The evaluation of candidates is conducted as follows:
  1. Mandatory Requirements (pass / fail). Candidates that pass are evaluated.
  2. Candidates are rated based on their technical qualifications. Technical Submission (85% weighted) – candidates must achieve a minimum score of 70% in order to be considered qualified.
  3. Interviews are conducted with technically qualified candidates.
  4. Price – Hourly Rates are evaluated (15% weighted).
  5. The highest overall rated candidates is recommended for the assignment.
5. The recommended selection is approved by Director – Client Services or Chief Information Officer (CIO).
6. The Commission's Materials & Procurement Department conducts periodic administrative/process audits of these contracts and provides the results to the Chief Information Officer of TTC. Internal Audit may also perform periodic audits of the contracts and processes.