

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: November 18, 2013

SUBJECT: Procurement Authorization Amendment – Information
Technology Placement Firms For Technical Service Assistance

ACTION ITEM:

RECOMMENDATION

It is recommended that the Board authorize the issuance of amendments to nine (9) of the existing seventeen (17) contracts for the provision of technical assistance for information technology projects that will serve to:

1. Extend the expiry date from December 31, 2013 to April 30, 2014; and
2. Increase the upset limit amounts by an aggregate of \$6,500,000 such that the total upset limit amounts for all contracts combined increases from \$25,217,000 to \$31,717,000 as detailed on Appendix A.

FUNDING

Sufficient funding for these expenditures has been included in Program 7.1 Computer Equipment and Software Corporate Systems and 7.2 Computer Equipment and Software Intelligent Transportation and Technical Systems as set out on pages 1051 to 1207 inclusively of the 2013 to 2022 TTC Capital Program, approved by City Council on January 16, 2013.

Funds have also been included in the recommended 2014 TTC Operating Budget as required.

BACKGROUND

The TTC supports extensive computer systems and communications infrastructure throughout TTC's operations. This includes a full range of system development and "state of good repair" Capital projects. The permanent staff available for these activities is limited and it is necessary to supplement staff with technical expertise from external sources to meet system project requirements which are part of the approved Capital Program. Consequently, TTC requires the services of information technology placement firms to provide qualified resources on an as required basis for various TTC projects for periods ranging from 3 to 36 months.

The City of Toronto also requires outside firms to provide technical resources for its projects and undertook a competitive procurement process that concluded in March 2011. Based on the City's competitive process, the TTC received approval at the July 2011 Board meeting to award

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contracts to seventeen information technology firms in the upset limit amounts based on anticipated service requirements at the time. (Please refer to Board meeting #1938, Item 4 b) [http://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2011/July 6 2011/Reports/PA Information Techn.pdf](http://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2011/July%206%202011/Reports/PA%20Information%20Techn.pdf)

However as work assignments had increased in relation to the original estimates, additional funds were required to maintain the program, and at its September 2012 meeting the Board received a notice of award to confirm the Chair, Vice Chair, and CEO had authorized amendments in the aggregate amount of \$10,218,000 (Please refer to Board meeting #1951, Item 6 d) [http://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2012/September 27/Reports/Notice of Award - Pr3.pdf](http://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2012/September%2027/Reports/Notice%20of%20Award%20-%20Pr3.pdf)

In addition, amendments have been processed to reallocate funds among the seventeen firms, with a zero overall aggregate increase of funds. These amendments were performed under staff authority in accordance with TTC Corporate Policy.

DISCUSSION

The TTC has joined the City in its current competitive procurement process to retain firms to provide continued technical resources for its projects commencing in 2014 for a three year term. This process is currently at the bid evaluation stage and the new contracts will require Board approval.

Nine companies currently under contract with TTC have on-going work assignments and an extension of time, to April 30, 2014, is required to allow these assignments to be completed while the transition to new contracts occurs. The recommended increase to the upset limit amounts for these nine contracts, as set out in Appendix A, is the estimated amount needed to cover expenditures to the revised expiry date of April 30, 2014.

JUSTIFICATION

Approval of these amendments will ensure the technical assistance required to complete existing assignments will continue.

November 6, 2013
14-30-48
Attachments: Appendix A

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APPENDIX A

| Company | Original Upset Limit | Previously Authorized Amendments | Recommended Amendments | REVISED Upset Limit |
|---------------------------|---------------------------------|---|-----------------------------------|--------------------------------|
| <i>*ADGA</i> | \$1,350,000 | \$7,500,000 | \$2,570,000 | \$11,420,000 |
| <i>*Bevertec</i> | \$1,582,000 | \$1,150,000 | \$750,000 | \$3,482,000 |
| <i>*Calian</i> | \$1,275,000 | -\$1,055,000 | \$160,000 | \$380,000 |
| <i>Deloitte Inc.</i> | \$182,000 | -\$177,000 | \$0 | \$5,000 |
| <i>*Eagle</i> | \$1,350,000 | -\$1,090,000 | \$40,000 | \$300,000 |
| <i>ESRI</i> | \$125,000 | -\$120,000 | \$0 | \$5,000 |
| <i>*GSI</i> | \$1,275,000 | \$1,075,000 | \$500,000 | \$2,850,000 |
| <i>*Ian Martin IT</i> | \$1,582,000 | \$5,600,000 | \$1,730,000 | \$8,912,000 |
| <i>IMEX</i> | \$75,000 | -\$70,000 | \$0 | \$5,000 |
| <i>iVedha</i> | \$125,000 | -\$120,000 | \$0 | \$5,000 |
| <i>KPMG</i> | \$182,000 | -\$177,000 | \$0 | \$5,000 |
| <i>Open Text</i> | \$107,000 | -\$102,000 | \$0 0 | \$5,000 |
| <i>*Procom</i> | \$1,350,000 | \$400,000 | \$475,000 | \$2,225,000 |
| <i>*S.I Systems</i> | \$1,275,000 | -\$1,075,000 | \$0 | \$200,000 |
| <i>Sani International</i> | \$125,000 | -\$120,000 | \$0 | \$5,000 |
| <i>Sierra</i> | \$1,582,000 | -\$1,576,000 | \$0 | \$6,000 |
| <i>*T.E.S.</i> | \$1,457,000 | \$175,000 | \$275,000 | \$1,907,000 |
| <i>Total</i> | \$14,999,000 | \$10,218,000 | \$6,500,000 | \$31,717,000 |

*These companies are required for an extended period to April 30, 2014.