



STAFF REPORT INFORMATION REQUIRED

Notice of Award - Supply and Install LED Customer Facing Information Screens

Date:	September 28, 2016
To:	TTC Board
From:	Chief Executive Officer

Summary

This report is submitted to notify the Board of a contract award approved by Chair J. Colle, Vice Chair A. Heisey, and CEO A. Byford for the Supply and Install LED Customer Facing Information Screens for a three-year period to Plan Group Inc. (Plan Group) on the basis of lowest evaluated price in the upset limit amount of \$5,700,000.00 including applicable taxes. The recommended upset limit amount includes the total bid price of \$5,452,167.92 and a contingency of approximately 5% for any increases in the estimated quantities for maintenance services during the term of the contract.

This is a three-year term contract for the engineering, fabrication, implementation and maintenance work for up to two hundred and fifty (250) Customer Facing Information System (CFIS): Next Vehicle Arrival LED Screens (NVAS) at Bus bays in TTC subway stations. These screens are advertising free and have been part of the Customer Charter since 2013. This authorization will enable TTC to continue meeting customer information commitments as per customer charters over the next several years.

This pre-approval process is in accordance with the Authorization for Expenditures and Other Commitments Policy, effective March 23, 2016, which states that ‘The Board delegates authority to the Chair, Vice-Chair and the Chief Executive Officer to authorize items that would normally be authorized by the Board when the approval is required before the next Board meeting. If the Chair and/or Vice-Chair are not available, authority would be deemed to be delegated to any two (2) Board Members and the Chief Executive Officer.’ These authorizations are to be followed up by a notice of award Board report that is to be submitted to the next scheduled Board meeting for information.

Implementation Points

1. The implementation will initially target TYSSE subway stations, followed by existing TTC subway stations for rollout of the CFIS LED signage at bus bays.
2. The rollout approach is routine and similar to the previous work completed for the NVAS LEDs at streetcar bays at TTC subway stations.

Financial Summary

Sufficient funds in the amount of \$5.7 million is included in the TTC's 2016-2025 Capital Budget and Plan under 7.14 IT Systems/Infrastructure – Customer Management. The approved budget for this program is \$15.942 million and the amount spent to the end of 2015 is \$1.7 million.

The Chief Financial & Administration Officer has reviewed this report and agrees with the financial impact information.

Accessibility/Equity Matters

There are no Accessibility or Equity issues associated with this report.

Issue Background

The TYSSE subway stations are scheduled to open for service in December 2017. To meet the TYSSE opening schedule, TTC requires the services of a contractor to engineer, fabricate, install and maintain NVAS Signage.

This contract will enable TTC to have functional NVAS signage at TYSSE subway stations before they open, as well as extend deployment of NVAS LED signage at other bus bays in TTC subway stations.

NVAS is a collection of computer hardware and software, Global Positioning System (GPS) units and Graphical Information Systems (GIS) technology used for capturing, managing, analysing and displaying projected vehicle arrival times and vehicle locations. This information will be accessible to TTC customers via LED/LCD electronic display signs located at service stops and TTC subway stations. TTC customers will be informed of service changes, incidents, delays and route changes in addition to the physical location of the vehicle and when the next vehicle will arrive at a particular service stop.

The NVAS project is designed to improve and enhance customer communications and the TTC experience. NVAS provides TTC customers with predicted arrival and departure times for buses and arrival times only for streetcars. As of December 31, 2015, there are 54 NVAS LEDs at 30 streetcar bays at various TTC subway stations.



Comments

A Request for Bids (RFB) was publicly advertised on the Merx Web site as well as the TTC's Web site as of April 29, 2016. Seventeen (17) companies requested or downloaded copies of the bid documents, out of which four (4) submitted a bid by the closing date of June 14, 2016. During the bid period, 2 addenda were issued.

Staff contacted the remaining thirteen (13) companies that did not bid and four (4) responded that they were not in a position to submit, never intended to submit or could not provide competitive pricing.

Evaluation of Bid Submissions

Submissions from the following companies were received for the Supply and Installation of LED Customer Facing Information Screens:

1. Black & McDonald Limited
2. Maxximum Media Inc.
3. Plan Group Inc.
4. Provincial Sign Systems

The evaluation of bids was based on a two envelope process and consisted of pass/fail criteria and pricing components as outlined in the RFB and Appendix A. The recommendation for award is based on the lowest evaluated pricing of all qualified bidders.

Bids were first reviewed to determine that they met the pass/fail criteria. The pass/fail criteria consisted of a requirement for Bidders to confirm full compliancy with the technical and performance requirements of the RFB. Following the evaluation of the

pass/fail criteria, the pricing component of all qualified bidders was then opened and evaluated.

The pricing component of all qualified bidders was evaluated, utilizing the estimated quantities derived from the number of LED screens required for TTC's subway stations and from staff's assessment of the maintenance requirements over the next three years. Bidders were requested to submit pricing on eight (8) items listed in the Price Schedule and four (4) items on the Specified Options List. The pricing for the Specified Options is valid for the duration of the contract.

The bid submitted by Maxximum Media Inc. (Maxximum) included an Agreement to Bond that was not executed/signed by a Surety, which is a mandatory submission requirement for this RFB. The Surety name "200503 Ontario Ltd" is not verified as a Surety Company licensed to transact business under the Insurance Act of Ontario. Legal Department advised that as the Agreement to Bond form requires the surety to be authorized to transact the business of suretyship in the Province of Ontario, Maxximum's Agreement to Bond is unacceptable. Consequently, their bid is considered commercially non-compliant and not evaluated further.

Plan Group Inc. submitted the lowest evaluated price of the qualified bidders and did not state any exceptions or qualifications. Plan Group Inc. has satisfactorily completed work for the TTC in the past; however this work did not include maintenance requirements. Consequently, additional reference checks were completed to ensure that they have satisfactorily performed similar maintenance services for other companies in the past. Their bid is considered commercially acceptable and Plan Group Inc. is recommended for award of contract.

Black & McDonald Limited submitted the second lowest evaluated pricing of the qualified bidders and also did not state any exceptions or qualifications and their bid is considered commercially acceptable.

Provincial Sign Systems submitted the third lowest evaluated pricing of the qualified bidders and also did not state any exceptions or qualifications and their bid is considered commercially acceptable.

The Agreement to Bond submitted by Plan Group Inc. covers a Performance Bond and was submitted by Continental Casualty Company, who has been verified as a Surety Company licensed to transact business under the Insurance Act of Ontario. As such they are considered financially capable of performing the work.

The successful bidder will be required to execute a Performance Bond in the amount of 50% of the contract value.

Contact

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[Attachments – Appendix A](#)

APPENDIX A
PROCUREMENT AUTHORIZATION
SUPPLY AND INSTALL LED CUSTOMER FACING INFORMATION SCREENS

EVALUATION CRITERIA

A. Pass/Fail Criteria

Confirmation of full technical compliancy with the following requirements set-out in the RFB:

- Fabrication
- Installation Services
- Maintenance and Support Services

B. Pricing Evaluation

COMPANY NAME	TOTAL EVALUATED PRICE*
Plan Group Inc.**	\$5,452,167.92
Black & McDonald Limited	\$5,721,206.70
Provincial Sign Systems	\$6,392,093.89
Maxximum Media Inc.	Non-Compliant

(*) – The 3-year Contract Total Evaluated Price is derived from the number of LED screens required for TTC’s subway station and from staff’s assessment of the maintenance requirements multiplied by the unit prices. The estimated quantities were used for the evaluation purposes only.

(**) – Recommended for Award