



Security Guard Services & Access Control for TTC Properties – Purchase Order Amendment Authorization

Date: July 7, 2021
To: TTC Board
From: Chief Strategy & Customer Officer

Summary

The purpose of this report is to obtain the Board's authorization to exercise the final option to extend the contract for Security Guard Services and Access Control for various TTC Properties C31PA18840 (PU404323) currently being provided by ASP Security Services Incorporated. In addition, an increase to the contract upset limit is required for employee screening services that have been provided by ASP Security Services as part of the TTC's COVID-19 response.

The current contract expires October 25, 2021. The final contract extension will extend the current contract to October 25, 2022.

Recommendations

It is recommended that the TTC Board:

1. Authorize the extension of Contract C31PA18840 to ASP Security Services Incorporated to October 25, 2022 and approve an increase in the total upset limit from \$8,688,578 to \$14,268,000 in Canadian funds, inclusive of all taxes, to provide sufficient funds for:
 - a. The one-year contract extension for contract security services and;
 - b. COVID-19 employee screening assignments.
2. Delegate authority to the CEO to add up to \$522,510 (including applicable taxes) to the contract with ASP Security Services Incorporated to cover the cost of COVID-19 screening at six locations for a one-year period October 26, 2021 to October 25, 2022 if required, under the same contract terms.

Financial Summary

Of the total requested upset limit, \$8.7 million has been previously approved through staff authority, as summarized in the following table.

Purchase Authorization to date through Staff Authority	
Original PO Upset Limit October 26, 2018 to October 25, 2020 Security Work Requirements	\$ 4,800,000
POA-122692 1st Amendment to extend to Oct 25/21 Security Work Requirements	\$ 2,332,500
POA-124170 2nd Amendment (COVID-19 expenditures)	\$ 1,556,078
Purchase Authorization to date through Staff Authority	\$ 8,688,578

The balance of the requested increase to \$14.268 million relates to 2021 COVID screening costs and the one-year contract security contract extension as summarized in the following table.

Reccomendation #1: Contract Extension to October 25, 2022, with upset limit of \$14.268 million						
	Costs incurred under staff authority		COVID Screening	Contract Extension Oct/21 to Oct/22		
(\$'000)	2018-2020	Jan to Oct 2021	Jan to Oct 2021*	Nov to Dec 2021	2022	Total
Contract Security (Base Requirement)	3,893.9	1,724.5		344.9	1,724.5	7,687.8
COVID-19 Screening	1,507.5		3,653.5			5,161.0
Rebateable HST	596.6	190.5	403.5	38.1	190.5	1,419.2
Total Reccomendation #1	5,998.0	1,915.0	4,057.0	383.0	1,915.0	14,268.0

*Primarily relates to service to June 2021, with 6 locations served by ASP to October 2021.

Sufficient funds are included in TTC base operating budget to fund the contract extension. The approved TTC Operating Budget includes approximately \$2 million annually (\$7.7 million over the life of the contract) to provide contract security services at various TTC locations. In addition, \$5.2 million has and will be incurred to provide employee screening services as a COVID-19 response measure. Of this amount, \$1.5 million was for 2020 and a further \$3.6 million for 2021. 2020 COVID response costs were approved by the Board through delegated authority provided to the CEO for all 2020 COVID-19 response costs at the September 24, 2020 TTC Board meeting. 2021 COVID response costs were included in the 2021 Operating Budget approved by the TTC Board on December 21, 2020 and City Council on February 18, 2021.

Authority provided by the first recommendation addresses all COVID-19 employee screening requirements to June 30, 2021 and 6 specific locations with ASP personnel to October 25, 2021. Other locations are being transferred to the successful proponent of a competitive bid process. Should employee screening services at 6 specific locations be required past October 25, 2021, the second recommendation delegates authority to the CEO to add \$0.5 million to this contract.

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

Equity/Accessibility Matters

A cornerstone of the TTC's Corporate Plan 2018-2022 is safety and security, and as a proud leader in providing public transit in the City of Toronto, we are committed to ensuring reliable, safe and inclusive services for all our customers and employees. This is supported through the work of Contract C31PA18840 for Security Guard Services and Access Control for TTC Properties.

Issue Background

Due to the urgent COVID-19 situation and resultant state of emergency declaration issued by the Province of Ontario and City of Toronto, the TTC required a third-party company to perform workplace screening services in accordance with public health protocols. The emergent need to address workplace screening was performed by the current security contract ASP Security Services Incorporated. The cost was incurred under delegated authority from the TTC Board as approved at the May 13, 2020 and September 24, 2020 board meetings and related costs have been captured in COVID incremental expense reporting to the Board.

Comments

Contract Security Guards are stationed at various TTC properties throughout the TTC at key locations to provide access control for employees and visitors and conduct regular security patrols of the property. Regular security guard services and access control for various TTC properties is currently being performed by ASP Security Services in accordance with the contractors bid dated July 30, 2018.

The original contract was competitively awarded to ASP Security Services Incorporated for the period from October 26, 2018 to October 25, 2020 with the option to extend the contract for an additional two (2) one (1) year terms. In the event that the TTC requested a contract extension, any adjustments to the unit prices had to be mutually agreed upon between the TTC and the Contractor and a contract amendment with the agreed upon unit prices for the additional years would be issued to extend the contract term. The total initial contract amount was \$4,800,000.

On September 28, 2020, a Purchase Order Amendment was initiated to exercise the option to extend the Security Guard Services contract for an additional one-year term and add funds in the amount of \$2,332,500. to cover expenditures for the term.

Due to the urgent COVID-19 situation the TTC required a third-party company to perform workplace screening services in accordance with public health protocols. ASP Security Services Incorporated was engaged to perform the COVID-19 screening services at various TTC properties throughout the Greater Toronto Area. They were tasked to screen TTC staff and visitors by asking a series of COVID-19 related questions. The extra hours and dollars associated with the screening was not included in the original scope of work but due to the

urgency of the requirement, assignments were added and there is currently insufficient contract authority for the balance of the current security contract.

On the basis of delegated authority to the CEO for 2020 incremental COVID costs, an additional Purchase Order Amendment was completed in order to add funds in the total amount of \$1,556,078, to address 2020 incremental COVID costs. This increased the total contract value from \$7,132,500 to \$8,688,578.

Ideally, in January 2021 an amendment should have gone forward to recommend that provisional COVID-19 screening services be performed by ASP Security Services Incorporated for the interim until a new contract specifically for COVID-19 screening was awarded. However, when the scope of work developing internal standard operating procedures and RFP evaluation criteria was being developed, the condition was rapidly changing therefore total funds required could not be defined without further evaluation, delaying the process.

Concurrently, the Special Constable Service and Operations Support departments, in conjunction with Procurement and Category Management staff, worked to develop a scope of work in order to initiate a competitive procurement for the establishment of a workplace screening contract. The Request for Bid was issued on February 26, 2021 and closed on April 16, 2021.

Through this report, authority is sought to exercise the final option to extend the contract for Security Guard Services and Access Control as provided by ASP Security Services Incorporated. Authorization is also being sought to increase funds to cover the cost of COVID-19 screening at all locations until June 30, 2021 and 6 specific locations with ASP personnel to October 25, 2021. Other locations are being transferred to the successful proponent of a competitive bid process effective July 1, 2021.

For logistical reasons, COVID-19 screening at six locations needs to remain with ASP Security Services Incorporated. Davisville, Greenwood, McBrien and McCowan will have screening completed by the regular security guard on duty at no extra cost. Leslie Barns and Hillcrest will have an extra guard on duty, seven days per week specific for COVID-19 screening but will be charged at a higher rate because of the ambiguity in regards to how long the COVID-19 assignments will last.

Due to the uncertainty of the COVID-19 pandemic, the duration of COVID-19 screening is currently unknown. For that reason, delegated authority to the CEO is requested to add up to \$522,510 CDN (including applicable taxes) to the contract with ASP Security Services Incorporated to cover costs for COVID-19 screening at six locations for a one-year period October 26, 2021 to October 25, 2022 should it become a requirement, under the same contract terms.

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