



STAFF REPORT ACTION REQUIRED

Unsolicited Proposal – GameOnStream

Date:	January 7, 2015
To:	Government Management Committee
From:	General Manager, Parks, Forestry and Recreation Division Director, Purchasing and Materials Management Division Director, Toronto Office of Partnerships
Wards:	All
Reference Number:	P:\2015\Cluster A\PFR\GM02-021715-AFS#20422

SUMMARY

The Toronto Office of Partnerships ("TOP") received an unsolicited proposal in 2013 from a private company that has offered to establish and maintain, at no cost to the City, a full service video streaming solution to video stream live and on-demand hockey events from select City of Toronto ("City") arenas. The service involves the installation of fixed cameras in hockey arenas that are supported by both on-site and external servers with content distribution via the internet. The City will receive a percentage of revenue from subscription and advertising revenue generated by the program. This initiative, called GameOnStream ("GOS"), is independently financed by the proponent.

Following the initial review of the proposal by TOP with various stakeholders in the City, the Parks, Forestry and Recreation Division ("PFR"), after consultation with the City Clerk's Office regarding the City's privacy policy, deemed the initiative to have merit and indicated an interest in having the cameras installed in various arenas. Having also assessed the prospects of the proposal with relevant corporate staff, the purpose of this report is to request that Council approve the initiative in principle and that the proponent's plan be subjected to the Swiss Challenge (a specialized Request For Proposal process) as mandated by the City's Unsolicited Quotations or Proposal Policy.

RECOMMENDATIONS

The General Manager, Parks, Forestry and Recreation, the Director, Purchasing and Materials Management, and the Director, Toronto Office of Partnerships recommends that:

1. City Council authorize Parks, Forestry and Recreation, as the lead division and in accordance with the Unsolicited Proposal Policy, to prepare the necessary documentation for the Purchasing and Materials Management Division to apply the Swiss Challenge procedure to the GameOnStream proposal;
2. City Council direct the General Manager of Parks, Forestry and Recreation, the Director, Purchasing and Materials Management, and the Director of Toronto Office of Partnerships to report back to City Council, through Government Management Committee, with the results of the Swiss Challenge to request authority to negotiate and enter into a licence agreement with the successful proponent.

Implementation Points

Upon Council authorization, the GameOnStream proposal will be subjected to the Swiss Challenge process as outlined in the **Procedure for Conducting a Swiss Challenge Request for Proposal ("Swiss Challenge")**:

http://www1.toronto.ca/city_of_toronto/toronto_office_of_partnerships/files/pdf/swiss-challenge-procedure.pdf

Related Resources:

The **Unsolicited Quotations or Proposals Policy** is available at:

http://www1.toronto.ca/city_of_toronto/toronto_office_of_partnerships/files/pdf/unsolicited_proposal_policy.pdf

The **Process for Receiving and Reviewing Unsolicited Quotations and Proposals** is available at:

http://www1.toronto.ca/city_of_toronto/toronto_office_of_partnerships/files/pdf/unsolicited_proposal_process.pdf

Financial Impact

Until such time that the Swiss Challenge has been completed, the potential revenue to the City is not known. Staff will report back to Council with the results of the Swiss Challenge which will be contained in a Confidential Attachment.

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

ISSUE BACKGROUND

In January 2008, the Toronto Office of Partnerships developed the Process for Receiving and Reviewing Unsolicited Quotations and Proposals. This process, which supplements the Council-approved Unsolicited Quotations or Proposals Policy, established a framework through which external organizations seeking to do business with the City, outside of the conventional procurement system, are given an opportunity to have their ideas presented and evaluated.

GameOnStream, a division of W-ideas Network Inc, submitted a proposal for consideration in November 2013. The company's plan is to install and maintain fixed cameras in approximately 20 City of Toronto arenas (Appendix A) to video stream hockey events, live and on-demand. The City's share of percentage revenue will be derived from a variety of sources that include both subscriptions and advertising revenue.

The GOS program is fully funded by the company and as such there is no cost to the City. The installed systems will include, in each of the agreed upon City of Toronto arenas, four unmanned motion-tracking network cameras, an automated broadcast system and web platform for streaming content to any connected device. This motion tracking technology records hockey games with multiple camera views and streams HD content of major permit holders, with an initial focus on games with the Greater Toronto Hockey League, the North York Hockey League and House Leagues currently playing in City of Toronto Arenas. The content can be accessed from multiple types of devices, including computers, TV monitors, smartphones and tablets, and may only be viewed by registered and approved users that must receive an authorized Access Code. This end-to-end solution, currently used in a number of facilities through contracts and pilot programs, was developed by GOS to broadcast events live and on-demand for parents, fans, players, and coaches.

Privacy Issues

Upon receiving the GOS proposal for review from TOP, PFR consulted with the Access & Privacy unit within the City Clerk's Office regarding any potential privacy issues that may arise as a result of the installation of cameras in City arenas as set out in the proposal. PFR submitted for review to Access and Privacy copies of the draft consent/release forms developed by GOS for participating players and coaches, with the understanding that only games where 100% of player consent is obtained may be filmed. Additionally, GOS was required to submit a response to a list of privacy related questions submitted by Access and Privacy. Following a review of both the consent forms and the responses to the inquiries submitted by GOS, Access and Privacy notified PFR that there were no privacy concerns with the GOS proposal.

The City will require access to all content filmed, streamed and stored by the proponent. It will be at the City's discretion to determine which events are permissible to be filmed, and cameras will only be activated when authorized by the City as per the terms of any future agreement.

COMMENTS

Following an evaluation of the proposal, and after further refining its content, the GOS program has been deemed by both TOP and PFR to be in the public interest. It is, therefore, recommended that Council approve the GameOnStream proposal in principle.

As previously noted, all costs associated with the proposal are to be borne by the proponent. Project costs include, but are not limited to, the installation of the cameras, content acquisition software, a server, an internet source and annual upkeep costs. Since the proponent will also be responsible for maintaining and managing all hardware and software, there is no operating impact on the City.

To ensure that the program is in accordance with all applicable City policies and protocols, the proponent will ensure that all privacy obligations are met and that consents are obtained and managed.

The General Manager of Parks, Forestry and Recreation must approve all sponsors involved in the program and any agreements with third parties for the purpose of advertising. This right to vet all participants will allow PFR to decline any sponsor or advertising that represents a reputational risk to the City and whose activities are deemed to be contrary to the values of the City.

Swiss Challenge

The **Unsolicited Quotations or Proposals Policy** requires that all eligible unsolicited proposals be subject, upon Council approval, to the Swiss Challenge, a specialized procurement process that is distinct from the City's typical RFQ/RFP procedure.

The Swiss Challenge process involves seeking competing counter proposals to the original submission, through a Swiss Challenge RFP (SC-RFP). Once the SC-RFP closes, the counter proposals are appraised and the highest evaluated proposal is selected. The SC-RFP will clearly indicate that if the evaluation determines that there is a successful counter proposal that is superior to the original submission, the original proponent will have the opportunity to match or improve on the selected competing proposal. If, within 30 days, the original proponent elects to meet the terms of the successful counter proposal, it will be recommended for the award of the contract to City Council, otherwise the successful counter proposal will be recommended for award. The relevant Divisions will then be responsible for working with the successful proponent to implement the initiative while keeping the TOP apprised of developments and outcomes.

In order to proceed with the initiative and to ensure that the City receives best overall value, it is recommended that Council authorize the application of the Swiss Challenge to the GOS proposal.

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SIGNATURE

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Janie Romoff, General Manager
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ATTACHMENTS

Appendix A – GameOnStream (Proposed City of Toronto Arenas)

Appendix A

GameOnStream – Proposed City of Toronto Arenas

<u>Arena Name</u>	<u>Address</u>	<u>Ward</u>
1. Amesbury	155 Culford Rd	12
2. Angela James	165 Grenoble Dr	26
3. Commander	140 Commander Park Blvd	41
4. Don Mills Civitan	1030 Don Mills Rd	25
5. Downsview	1633 Wilson Ave	07
6. East York Memorial	888 Cosburn Ave	31
7. Fenside	30 Slidell Cres	34
8. Gord And Irene Risk	2650 Finch Ave W	07
9. Goulding	45 Goulding Ave	23
10. Grandravine	23 Grandravine Dr	09
11. Habitant	3383 Weston Rd	07
12. Carnegie Centennial	580 Finch Ave W	10
13. Oriole	2975 Don Mills Rd	33
14. Pleasantview	545 Van Horne Ave	33
15. Scarborough Gardens	75 Birchmount Rd	36
16. Victoria Village	190 Bermondsey Rd	34