



STAFF REPORT ACTION REQUIRED

Contract with Moore Canada Corporation for the Provision of Renewal Forms and Parking Permits

Date:	September 16, 2015
To:	Government Management Committee
From:	General Manager, Transportation Services, and Director, Purchasing & Materials Management Division
Wards:	All
Reference Number:	P:\2015\Cluster B\TRA\TIM\ Te.2015034.te.row.doc

SUMMARY

Transportation Services is requesting approval from City Council for a non-competitive contract with Moore Canada Corporation (Moore Canada) for "speedemailer" renewal forms and parking permits for the period November 3rd, 2015 to June 30, 2017 in the amount of \$240,000 net of HST (\$244,224 net of HST recoveries).

This "speedemailer" product is proprietary to Moore Canada and requires printing and sealing on their specialized equipment. Approval of this non-competitive contract will allow Transportation Services to continue to provide permit parking services to the public until such time as a Request for Proposal (RFP) can be issued to determine if possible alternate companies are available in the marketplace to provide similar products and technology.

City Council approval is required in accordance with Municipal Code Chapter 195-1 Purchasing, and Chapter 71-11 Financial Control where the cumulative five year commitment and \$500,000.00 threshold exceeds under staff authority.

RECOMMENDATION

The General Manager, Transportation Services and the Director, Purchasing and Materials Management recommends that:

1. City Council grant authority to the General Manager, Transportation Services to negotiate and enter into a non-competitive contract with Moore Canada for the supply and delivery of the "speedimailer" renewal forms and permits, printing and sealing services for the On-Street Permit Parking Program in the amount of \$240,000 net of HST (\$244,224 net of HST recoveries) for the period of November 3, 2015 to June 30, 2017, on terms and conditions satisfactory to the General Manager and in a form satisfactory to the City Solicitor.

Financial Impact

Funding for the Fall Order, in the amounts of \$60,000 net of HST (\$61,056.00 net of HST recoveries) is included in the 2015 Approved Operating Budget for Transportation Services. The remaining funding for the balance of the contract from 2016 until June 30, 2017 will be included in the 2016—2017 annual Operating Budget Submissions for Transportation Services.

Funding details are provided below:

Permit Term	Cost Centre	Cost Element	Net of HST	Net of HST Recoveries
Fall 2015	TP0147	4825	\$ 60,000	\$ 61,056
Spring 2016	TP0147	4825	\$ 60,000	\$ 61,056
Fall 2016	TP0147	4825	\$ 60,000	\$ 61,056
Spring 2017	TP0147	4825	\$ 60,000	\$ 61,056
TOTAL			\$240,000	\$244,224

Charges may vary per term as permit output fluctuates from one term to another based on public demand.

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

ISSUE BACKGROUND

In 2001, Moore Canada began supplying the City of Toronto with their "speedimailer" renewal forms and parking permits. This technology combines the renewal notice/permit form and return envelope on the same form, therefore removing the need for any type of envelope. These renewal forms and parking permits are supplied to Transportation Services, Permit Parking Branch, on a semi-annual basis for each of the permit renewal periods, in late May and late November each year. Each of these renewal periods requires the mailing out of permit renewal notices and new term permits for approximately 55,000 permit holders and the supply of approximately 20,000 additional permits that must last until the next renewal cycle begins (6 months). Each permit cycle results in the expenditure of approximately \$60,000.00. The "speedimailer" renewal forms and parking permits are proprietary (patented) products of Moore Canada.

Over the last fourteen years, Transportation Services, Permit Parking Branch has launched and grown the use of its on-line permit parking renewal option to the point where it is the single most popular method of permit renewal, with over 22,000 permit holders choosing this renewal option. This system is heavily dependent on the reliability of the "speedimailer" renewal forms and parking permits. They are now recognizable both from our clients' perspective and that of the Toronto Police Services, Parking Enforcement Unit. Our clients (the permit holding public) have come to trust the turnaround time and delivery of their permits using the on-line renewal option.

The previous non-competitive contract 47015232 with Moore Canada expired on June 30, 2015. In order to ensure uninterrupted services to the public, Transportation Service placed an order with Moore Canada on July 31, 2015 in the amount of \$60,000 net of HST for the Fall 2015 renewal forms and permits, printing and sealing services for the On-Street Permit Parking Program. This order was placed without proper purchasing procedure and prior to requesting this authority. This amount has been included in the overall dollar value being requested in the recommendation in order to process the payment for this fall order.

COMMENTS

The computer system supporting the Permit Parking Program originally ran on a mainframe computer application at EDS Canada. However, the City's contract with EDS expired on October 31, 2010. Following this expiration, the City's Information and Technology Division migrated computer applications and printing away from the EDS mainframe environment to a newly developed in-house computer application known as the On-Street Permit Parking Application (OSPPA).

Since OSPPA was developed quickly to meet the original transition deadline, only certain features from the Mainframe could be implemented in time for the original transition. Since 2010, work has continued to bring additional features to the OSPPA, however due to limited staff resources and the complexity of the project, this transition is not yet fully

complete. This has resulted in a scenario that while some elements of the Permit Parking Program reside on the OSPPA, it is not yet fully functional.

This has prevented City Staff from issuing an RFP more pro-actively, as the technical requirements of any such RFP are dependent on the final mainframe parameters, which will not be fully determined until early 2016.

The Permit Parking Branch continues to work with the Information and Technology Division to develop the OSPPA system to provide essential modifications to deliver the day-to-day services to the public.

Accordingly, to minimize any potential negative impact on both our overall permit renewal system and our growing on-line renewal option, it would be in the interest of stability and maintaining the trust the public has in the current system that we continue to use these "speedimailer" products from by Moore Canada along with their printing service until such time as the OSPPA migration can be completed, and a full RFP process undertaken.

The Fair Wage Office has reported that the recommended firm has indicated that it has reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

CONTACT

Kyp Perikleous
Director,
Transportation Services
Tel. 416-392-7714
Email: kperikle@toronto.ca

Jacquie Breen
Manager, Corporate Purchasing Policy and
Quality Assurance,
Purchasing and Materials Management
Tel: 416-392-0387
Email: jbreen@toronto.ca

SIGNATURE

Stephen M. Buckley
General Manager,
Transportation Services

Michael Pacholok
Director,
Purchasing and Materials Management