



## STAFF REPORT ACTION REQUIRED

### Amendment to InterFleet Inc. - Automated Vehicle Location (AVL) Contract No. 47015982

<b>Date:</b>	February 2, 2016
<b>To:</b>	Government Management Committee
<b>From:</b>	General Manager, Fleet Services Division Director, Purchasing & Materials Management Division
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2016\Internal Services\Fleet\Gm16002Fleet-(AFS # 22407)

#### SUMMARY

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This report seeks authority to extend the term for an additional one (1) year period and amend the value of Contract No. 47015982 to InterFleet Inc. as a result of Request for Quotation (RFQ) 3401-11-3035 for the non-exclusive supply and delivery, warranty of an Automated Vehicle Location (AVL) system in the amount of \$80,000 net of all taxes (\$81,408 net of HST recoveries) from \$975,814 to \$1,055,814 net of all taxes (\$1,074,396 net of HST recoveries).

Contract No. 47015982 was approved by the Bid Committee at its meeting on June 15, 2011 and will expire at the end of March 31, 2016. Fleet Services Division (FSD) clients have indicated that they require additional AVL features other than what is currently being provided. As a result FSD is requesting a one year extension to develop and issue a more comprehensive competitive call to accommodate the new requirements by the third quarter of 2016.

#### RECOMMENDATIONS

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**The General Manager, Fleet Services Division and the Director, Purchasing & Materials Management Division recommend that:**

1. City Council authorize the General Manager, Fleet Services Division to amend the existing Contract No. 47015982 with InterFleet Inc. to increase the contract value by an additional amount of \$80,000 net of all taxes (\$81,408 net of HST recoveries), revising the current total contract value from \$975,814 to

\$1,055,814 excluding HST and all charges (\$1,074,396 net of HST recoveries), to extend the term of the Contract for an additional one (1) year period from April 1, 2016 to March 31, 2017, and otherwise under the same pricing and terms and conditions as set out in the original Contract.

### **Financial Impact**

The amendment to the existing contract will increase the contract value by an additional \$80,000 net of all taxes (\$90,400 including all taxes; \$81,408 net of HST recoveries).

Funding in the amount of \$81,408 net of HST recoveries is included in the 2016 Preliminary Operating Budgets of Fleet Services Division's clients requiring AVL technology.

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

### **DECISION HISTORY**

On March 4, 2011, FSD issued RFQ 3401-11-3035 for the non-exclusive supply and delivery, warranty of an AVL system. Bid Committee at its meeting on June 15, 2011 awarded the contract to InterFleet Inc. in the amount of \$479,280, net of all taxes, with the option to exercise four (4) additional separate one (1) year terms for a total extended Contract value, including all option year renewals, of \$975,814 net of all taxes.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.BD28.1>

### **ISSUE BACKGROUND**

The City of Toronto has approximately 5,200 vehicles and pieces of equipment or, "assets" as they are referred to in industry. Technologies are available to track these assets on a minute-by-minute basis if required using Global Positioning Systems (GPS). This can include seeing where assets are on a digital map of the city in addition to what they are doing, such as:

- plowing/salting streets
- responding to emergency calls
- collecting waste
- vehicle speed
- lights flashing
- route taken
- idle time, and more

As of October 2014, there were over four hundred (400) city assets equipped with AVL technology. Divisions using AVL include Municipal Licensing & Standards, Parks Forestry & Recreation, Corporate Security, Engineering & Construction Services, Solid Waste Management, Toronto Water and Transportation Services. The amendment to the contract term and value is for the original contract awarded to FSD (Contract No. 47015982).

## COMMENTS

Over the last five years, the initial vendor - InterFleet Inc. has merged with other providers to become BSM Wireless in 2015. However, InterFleet Inc. continues to operate under its own name. During this time, technologies have continued to advance and staff have become increasingly knowledgeable about the practical uses for AVL in effectively managing fleet resources. This includes vehicles doing work under contract to the City, as is the case with Toronto Transportation Services. In addition, demands have increased for the use of AVL data to improve customer service, fleet management capability and enhanced communication. These changes along with other enhancements can be included in a revised contract.

FSD is requesting a one year extension to the existing contract. This will permit staff to develop additional technical specifications for these services to be included in a competitive call document to be issued in the third quarter of 2016. A minimal increase to the contract value of \$80,000 is also being requested at this time as a contingency.

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## SIGNATURE

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Lloyd Brierley  
General Manager  
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Michael Pacholok  
Director, Purchasing & Materials  
Management Division