

Award of Swiss Challenge Request for Proposal No. 3204-17-7034 to GameOnStream for the Installation and Maintenance of Fixed Cameras in Various City of Toronto Arenas to Video Stream Hockey Events, Live and On Demand

Date: September 8, 2017
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

SUMMARY

The purpose of this report is to provide information on the results of the Swiss Challenge Request for Proposal (SC-RFP) 3204-17-7034 for the Installation and Maintenance of Fixed Cameras in Various City of Toronto Arenas to Video Stream Hockey Events, Live and On Demand, and to request authority to award, negotiate and enter into a License Agreement with the recommended proponent, GameOnStream Inc. (referred to in this report as "GOS").

RECOMMENDATIONS

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

1. City Council grant authority to the General Manager, Parks, Forestry and Recreation to award, negotiate and enter into a License Agreement with GameOnStream Inc, the vendor that submitted the best proposal to Swiss Challenge Request for Proposal 3204-17-7034, for a period of up to five (5) years from date of award to August 31, 2022 with an option to renew for an additional five (5) years from September 2022 to August 2027, at the sole discretion of the General Manager of Parks, Forestry and Recreation (the "General Manager").

FINANCIAL IMPACT

The City will receive a total of \$108,000 in guaranteed base annual revenue over the first five (5) base years of the contract and \$132,000 over the option years net of all taxes and charges, with an effective percentage share of 23.4% of annual gross revenue to the City for the five base years and 27.1% for the option years if specific revenue thresholds are met. There is no cost to the City.

Parks, Forestry and Recreation has included \$0.108 million in revenue from this initiative in the 2018 Operating Budget Submission. There are no cost implications. Under the terms of the Swiss Challenge Request for Proposal, subscription fees are payable directly to GameOnStream by the subscriber. The subscriber is responsible for making payment of the fees and it is the responsibility of GameOnStream to collect these fees directly from the subscriber.

DECISION HISTORY

City Council, at its meeting held on March 31, April 1 and 2, 2015, adopted report GM2.4 entitled "Unsolicited Proposal - GameOnStream". The report is available online at <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.GM2.4>

COMMENTS

The Toronto Office of Partnerships ("TOP") received an unsolicited proposal in 2013 from GameOnStream (GOS), a division of W-ideas Network Inc. GOS 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 would involve the installation of fixed cameras in hockey arenas that are supported by both on-site and external servers with content distribution via the internet to paying subscribers.

Following the initial review of the proposal by TOP with various stakeholders in the City, the Parks, Forestry and Recreation Division ("PFR") consulted with the City Clerk's Office to confirm adherence to the City's privacy policy and subsequently deemed the initiative to have merit.

With the adoption of report GM2.4, by City Council at its meeting held on March 31, April 1 and 2, 2015, Parks, Forestry and Recreation (PFR), as the lead division and in accordance with the Unsolicited Proposal Policy, prepared the necessary documentation for the Purchasing and Materials Management Division (PMMD) to apply the Swiss Challenge procedure to the GameOnStream proposal. The original GameOnStream unsolicited proposal was evaluated based on criteria finalized prior to formal review of the submission. Having scored above the minimum required score of 75% (or 63.75 points) on the technical review, GOS qualified to be considered for the financial proposal stage of the evaluation. The results of the evaluation were provided to PMMD.

On January 5, 2017, PMMD issued SC-RFP 3204-17-7034 for the Installation and Maintenance of Fixed Cameras in Various City of Toronto Arenas to Video Stream Hockey Events, Live and On Demand with a closing date of February 6, 2017. A total of two (2) addenda were issued in response to inquiries sent to PMMD prior to the closing date. This resulted in a total of one (1) submission being received from LiveBarn Inc.

Proponents were to meet the mandatory submission requirements in order to have their proposals further evaluated. Following this stage, a minimum total threshold score of 75% (or 63.75 points) on the technical review in Stage 2 was required in order for the financial proposal to be evaluated.

Using the evaluation criteria specified in the SC-RFP which were identical to the criteria used to evaluate the unsolicited proposal, the Selection Committee, comprised of four (4) staff members, three (3) from the Management Services Branch of PFR and one (1) from Corporate Finance proceeded with the technical and financial evaluation stages of the RFP. The committee followed the prescribed evaluation process as follows:

Stage One Evaluation – Mandatory Submission Requirements

The first stage of the evaluation was a "pass/fail" analysis based on whether mandatory submission requirements were met. The proposal submitted by LiveBarn Inc. met the mandatory submission requirements and advanced to Stage Two.

Stage Two Evaluation – Detailed Evaluation (Technical Proposal Evaluation)

The second stage required a minimum score of 75% (or 63.75 points) on the technical proposal in order for a Proponent to be considered further. The Proponent was evaluated based on the Executive Summary; Experience and Qualifications; Proposed Staff Team and Resources; Equipment and Customer Service; and Products and Services that were demonstrated within the Proposal. This stage of the evaluation was scored out of 85 points based on the following categories:

- Executive Summary
- Experience and Qualifications
- Proposed Staff Team and Resources
- Equipment and Customer Service
- Products and Services

Having scored above the minimum score of 75% (or 63.75 points), LiveBarn Inc. could then be considered for the financial proposal stage of the evaluation process.

Stage Two Evaluation – Financial Proposal

The Financial Proposal portion of the Stage Two (2) Evaluation was considered and evaluated as a part of Proponent's overall score for ranking purposes. This stage of the evaluation was scored out of 15 points.

Recommended Proponent

The initial results of the evaluation demonstrated that the proposal submitted by LiveBarn Inc. scored higher than the original unsolicited proposal submitted by GameOnStream (GOS) in both the technical evaluation and the financial proposal portion of the evaluation.

Pursuant to the Procedure for Conducting a Swiss Challenge Request for Proposal and as allowed for in the SC-RFP, GOS was given the opportunity to match or improve on the selected competing proposal. Following a review of the detailed summary of the evaluation results PMMD summarized pertinent sections of the competing proposal which were provided to GOS. GOS was then given no more than 30 days to match or improve on the selected competing proposal.

Based on its submission of additional documentation and information in response to PMMD's notification, GameOnStream succeeded in matching the proposal by LiveBarn Inc. Proponent's scores and staff analysis of the evaluation results can be provided to Councillors in an in camera presentation if requested by members of Council.

Therefore, GameOnStream Inc, having submitted the best proposal in response to SC-RFP 3204-17-7034 is recommended for award.

The Fair Wage Office has reported that the recommended proponent has indicated that they reviewed and understand the Fair Wage Policy and Labour Trades requirements and have agreed to comply fully.

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