



## REPORT FOR ACTION

### **Non-Competitive, Exclusive Rights Contract with Tacel Ltd. for Polara Accessible Pedestrian Signal (APS) and Central Control Units (CCU)**

**Date:** March 26, 2018

**To:** Public Works & Infrastructure Committee

**From:** General Manager, Transportation Services and the Chief Purchasing Officer

**Wards:** All

#### **SUMMARY**

---

This report requests City Council authority to enter into a non-competitive contract with Tacel Ltd., the exclusive distributor of Polara parts and equipment from the date of contract issuance to December 31, 2018, with the option to renew for four (4) additional one (1) year periods in the amount of \$2,032,735 net of HST (or \$2,068,512 net of HST recoveries). The contract is required for the exclusive rights procurement of compatible replacement equipment for the 800 Accessible Pedestrian Signals (APS) across the city.

City Council approval is required in accordance with Municipal Code Chapter 195 Purchasing, where the current request exceeds the Chief Purchasing Official's authority of the cumulative five year commitment for each vendor, under Article 7, Section 7.3 (D) of the Purchasing By-Law, or exceeds the threshold of \$500,000 net of HST allowed under staff authority as per the Toronto Municipal Code, Chapter 71- Financial Control.

#### **RECOMMENDATIONS**

---

The General Manager, Transportation Services and the Chief Purchasing Officer recommend that:

1. City Council grant authority to the General Manager, Transportation Services, to negotiate and enter into an agreement with Tacel Ltd. for the purchase of the Accessible Pedestrian Signals (APS) Pushbuttons and Central Control Units (CCU) from date of contract issuance to December 31, 2018, in the amount of \$382,875 net of HST (or \$389,614 net of HST recoveries), with the option to renew for a further four (4) separate one (1) year periods at the sole discretion of the city and subject to budget approval(s) and on terms and conditions satisfactory to the General Manager, Transportation Services and in a form satisfactory to the City Solicitor.

## FINANCIAL IMPACT

---

The total estimated value including all option years, identified in this report is \$2,032,735 net of HST (or \$2,068,512 net of HST recoveries).

The materials on this contract will be purchased for PMMD Stores inventory purposes. The material value will be held in inventory holding Balance Sheet accounts (160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085, 160171) until Transportation Services requires the material to support their work programs at which time the material value is charged to Transportation Services operating budget.

Funding from date of award to December 31, 2018 has been included in the Transportation Services 2018 Operating Budget and should the option years be exercised funding will be requested in the 2019-2022 Operating Budget Submissions. The details are as follows:

Table 1: Financial Impact Summary of Recommended Contract

Period	Total \$ (net of HST Recoveries) charged to Cost Centre 160004, 160026, 160049, 160067, 160068, 160082, 160083, 160085, 160171
Contract Period	
Date of Award – December 31, 2018	\$389,614
Option Year 1 (2019)	
January 1, 2019- December 31, 2019	\$401,302
Option Year 2 (2020)	
January 1, 2020- December 31, 2020	\$413,341
Option Year3 (2021)	
January 1, 2021- December 31, 2021	\$425,741
Option Year 4 (2022)	
January 1, 2022- December 31, 2022	\$438,514
Grand Total	\$2,032,735

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

## DECISION HISTORY

---

The last Request for Quotation (RFQ) # 1205-13-0133 had only one submission. The sole bidder was awarded the contract. A new RFQ # 1205-17-0320 was issued on September 11, 2017 and was subsequently canceled because it was determined that Tacel is the exclusive distributor of the Polara APS and CCU's. A letter from the manufacturer confirms the exclusive distributorship of Tacel for Polara products.

## **COMMENTS**

---

### **Accessible Pedestrian Signals (APS)**

Accessible Pedestrian Signals (APS), formerly known as audible pedestrian signals, advise pedestrians who are blind, visually impaired or deaf-blind when they have the right-of-way to cross at a signalized intersection and in which direction they may cross the intersection. The City of Toronto currently has approximately 800 signalized intersections equipped with APS.

In order to properly maintain the APS equipment at these intersections (and ensure pedestrian safety), the items are required in case of failure to existing equipment. Only compatible units can be used.

An APS system at a signalized intersection is comprised of a Central Control Unit (CCU) and eight (8) pushbuttons. The units within the scope of this non-competitive call are required for like-for-like replacement (maintenance). For example, if a pushbutton in an intersection is damaged, it has to be replaced with the same model to be compatible with the other existing seven (7) pushbuttons and the CCU at the intersection. If another vendor's APS equipment is to be used as a replacement, all other pushbuttons and the CCU would have to be replaced at a significantly higher cost (equipment and labour).

The APS are currently procured under Tacel Ltd. Blanket Contract # 47017675 that was established through Request for Quotation (RFQ) # 1205-13-0133. The current contract is set to expire on March 31, 2018. The APS requires compatible units for breakdown and maintenance in case of malfunction.

Tacel Ltd. is the exclusive distributor of Polara parts and equipment. Polara Enterprises LLP have confirmed this in writing. Tacel Ltd. has confirmed that the prices quoted are the best possible prices they can offer the City of Toronto.

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**

---

Ashley Curtis  
Senior Strategic Director  
General Managers Office  
Transportation Services Division  
Telephone: 416-338-6583  
E-mail: Ashley.Curtis@toronto.ca

Jacquie Breen  
Manager  
Corporate Purchasing Policy and Quality Assurance  
Purchasing & Materials Management Division  
Telephone: 416-392-0387  
Email: Jacquie.Breen@toronto.ca

## **SIGNATURE**

---

---

Barbara Gray,  
General Manager, Transportation Services

---

Michael Pacholok  
Chief Purchasing Officer, Purchasing & Materials Management