



REPORT FOR ACTION

Contract Award - Request for Proposal Number PS2021-02 for Security Guard Services at Toronto Parking Authority Off-Street Parking Facilities

Date: October 25, 2021

To: Board of Directors of the Toronto Parking Authority

From: President, Toronto Parking Authority

Wards: All

SUMMARY

The purpose of this paper is to request Board approval for the awarding of a new five-year security contract to Garda Canada.

As background, in March 2018 (PA8.4), City of Toronto Corporate Security commenced a security review of Toronto Parking Authority's (TPA) garages with a particular focus on those facilities experiencing higher frequencies of reported incidents. This assessment identified a need to invest in a more robust, multi-layered security platform including a step change increase in the use of professional security personnel, facility enhancements and the leveraging of improved technologies.

The first element of the programme focused on the deployment of professional security personnel. At its meeting on December 12, 2019 (PA11.6), the Board granted management the authority to award a two-year contract to Garda Canada for the security of its off-street facilities for the period between January 1, 2020-December 6, 2021 for an amount not to exceed \$4,074,260.

However, throughout the course of 2020 and 2021, there has been an unprecedented increase in the number of cases of vandalism, drug use, fire alarms, biologic contamination, car damage and customer/staff harassment across our facilities- particularly in the downtown core (See Table 3). These conditions have driven a marked increase in customer complaints over the past eighteen (18) months; moreover, TPA front line staff have expressed similar concerns about their health and safety. To this end, at its meeting on April 6, 2021 (PA22.4), the Board granted authority to management to increase the value of the contract by \$1,100,000 on terms and conditions consistent with the current contract.

Concurrently, at its Board meeting on July 19, 2021 (PA25.4) the Board granted management authorization to enter an agreement with Met-Scan Canada for the supply of CCTV cameras, emergency intercoms and door access readers at nine (9) of its facilities for an amount not to exceed \$4,696,689. This capital will be deployed over the next three (3) years and will enhance the health and safety of our staff and customers while reducing enterprise risk.

In summary, on August 3, 2021, Management, in collaboration with City of Toronto Corporate Security, issued a Request for Proposals (RFP) to secure formal proposals for a new security contract to support the TPA's mandate of consistently providing safe and secure parking facilities for its staff, customers and residents.

RECOMMENDATIONS

The President, Toronto Parking Authority recommends that:

1. The Board of Directors of Toronto Parking Authority grant authority to the President, Toronto Parking Authority, to award the contract for the provision of security guard services for Toronto Parking Authority off-street parking facilities to Garda Canada Security Corporation for a term of two (2) years, plus three (3) optional one (1)-year extensions, at the sole option of the President, Toronto Parking Authority, in the estimated amount (two (2) years) of \$7,560,000 plus \$355,000 as a contingency allowance, being the sum total amount of \$7,915,000 subject to annual inflation adjustments as applicable based on the Consumer Price Index (CPI) in accordance with the contract provisions and net of all taxes and charges.

FINANCIAL IMPACT

The estimated amount to award the contract for security guard services over the two (2)-year term from December 07, 2021 to December 06, 2023 is \$7,560,000, plus \$355,000 for contingency, being the sum total amount of \$7,915,000 subject to annual inflation adjustments as applicable based on the CPI in accordance with the contract provisions and net of taxes and charges. Table 1 shows the annual contract value for the two (2)-year contract with three (3) optional one (1)-year extensions.

Table 1: Financial Summary

	Year 1 Price (2022)	Year 2 Price (2023)	Extended 1 Year Price (2024)	Extended 1 Year Price (2025)	Extended 1 Year Price (2026)
Total Request	\$3,863,959	\$4,051,532	\$4,152,821	\$4,256,641	\$4,363,057
3rd Party (Flow-through)	\$225,000	\$230,625	\$236,391	\$242,300	\$248,358
TPA Costs	\$3,465,676	\$3,638,959	\$3,729,933	\$3,823,182	\$3,918,761
Contingency	\$173,284	\$181,948	\$186,497	\$191,159	\$195,938

The proposed contract spend in 2022 represents a +16 percent increase in the annualized run rate of the final four months of 2021. Our planned investments in both 2022 and 2023 reflect a deliberate increase in scope; specifically, the deployment of both incremental and dedicated security staff at our critical city centre locations. Labour costs per man hour worked remain consistent with CPI (Table Two); moreover, there are no planned increases in overhead management costs. It is our expectation that these additional investments will offset in part the operational expenses to repair and fix assets damaged by vandalism, including elevator damage, broken windows, nuisance fire alarms, etc. Most importantly, this elevated security posture will create a safer and more user-friendly experience for our staff and customers.

Management will update the Board on an annual basis regarding our progress with our security strategy.

Table 2: 2020/2021 Contract vs. 2022/2023 Contract Comparison

Activity Hours/Month	2020	2021*	2022	2023
Supervisor	730	730	730	730
Mobile Guard	1,456	2,395	2,920	2,920
Static Guard	1,743	3,440	3,780	3,931
Emergency Fire Watch	-	-	333	333
3rd Party Services	381	250	504	502
Total Hours/Month	4,311	6,816	8,268	8,416
Total Cost/Month	\$152,647	\$249,325	\$307,556	\$322,465
Avg Cost/Hour	\$35.41	\$36.58	\$37.20	\$38.32
YOY Avg Cost Increase	-	\$0.89	\$0.90	\$1.12
Total Cost/Year	\$1,831,759	\$2,436,212	\$3,690,676	\$3,869,584

* The annualized run-rate for 2021 spend based on July to December burn rate converts to \$2.99m

For the purposes of bid evaluation and recommendation only, the price submitted by Garda Canada Security Corporation is escalated by a factor of two and one-half (2.5) percent per annum for the optional years. The actual CPI will be applied pursuant to the contract.

CALL SUMMARY

Call number: Request for Proposal (RFP) Number PS2021-02

Call Issued: August 03, 2021

Call Closed: September 03, 2021 Noon Toronto time

Number of Addenda Issued: One (1)

Number of Bids: Five: (5)

Description:

The non-exclusive provision of security guard services for TPA off-street parking facilities from the date of award for a term of two (2) years, plus three (3) optional one (1) year extensions at the sole option of TPA. Should the option(s) be exercised, the Director of Parking Services will request the Vice President of Operations to process the renewals under the same terms and conditions. This RFP was then publicly posted on MERX on August 03, 2021 and the process was open to all interested proponents. One subsequent Addendum 1 was issued and the call closed on September 3, 2021 Noon. In total, five (5) bid proposal submissions were received from the following firms:

1. Active Security Enterprises
2. Cancom Security
3. Flex Point Security
4. Garda Canada Security Corporation
5. Neptune Security

The evaluation of submissions followed a three (3)-stage process (see Attachment 1 evaluation guidelines) The evaluation committee was formed and consisted of total five (5) representatives:

- Two (2) individuals from City of Toronto Corporate Security
- Three (3) individuals from Toronto Parking Authority

Stage 1 Mandatory Requirements - The Evaluation Committee assessed if the submission met all the mandatory requirements. If the submission failed any of the mandatory requirements, the submission did not proceed to Stage 2.

Stage 2 Technical Evaluation - The Evaluation Committee assessed the submissions for the technical eligibility requirements and rated each submission. Each criteria was rated on a scale of 0 to 5, with 0 being the lowest and 5 being the highest. Each criteria carried different weights.

Stage 3 Financial Evaluation - The Evaluation Committee assessed the submissions for the cost of services. The Proponents carried a maximum of 20 points. Each Proponent's price was evaluated based on the following formula:

Lowest Price $\times 20 =$ Proponent's score for price

Proponent's price

Total points from Stage 2 and Stage 3 were added to determine the final ranking. The highest scoring proposal was then selected for award as was outlined in the tender document.

Upon detailed evaluation, only one (1) vendor bid submission was deemed to be compliant with all parameters of the call. The one compliant firm was Garda Canada Security Corporation (Garda), two (2) firms failed to provide all of the mandatory requirements on Stage 1 evaluation and, therefore full scoring was not completed, and two (2) firms failed to meet the minimum passing mark on stage 2 evaluation. Some key items to note from the scoring process:

- 1) The winning vendor provided a better response on how they will manage the contract. They specifically showed that they have experience in providing similar services in the GTA in large public facilities in the past 12 months, experience providing highly trained and qualified Security Guards in large public facilities and knowledge and experience in establishing a protective and authoritative Security Guard presence in large facilities. They also demonstrated a clear understanding of TPA's goals and objectives and therefore proposed a relevant and appropriate solution that met TPA's timelines for implementation.
- 2) Reference checks for Garda have been completed and were favourable. Garda was the only successful proponent that met all mandatory evaluation criteria in the RFP. Following the comprehensive evaluation, it is recommended that Garda be awarded a contract for the TPA security guard services as stipulated in the RFP.

DECISION HISTORY

At its meeting of July 19, 2021 in considering item PA25.4, TPA Board of Directors authorized the President, Toronto Parking Authority to enter into an agreement with Met-Scan Canada Limited for the supply and installation of closed-circuit television cameras, emergency intercoms and door access readers at nine (9) Toronto Parking Authority off-street parking facilities, having submitted the highest scoring bid and meeting all specifications in conformance with the City of Toronto procurement process from the date of award to March 31, 2023.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.PA25.4>

At its meeting of April 6, 2021 in considering item PA22.4 titled "Expansion of Security Guard Services at Toronto Parking Authority Off-Street Parking Facilities", TPA Board of Directors authorized the President, Toronto Parking Authority to enter into and execute, on behalf of TPA, an amendment to the existing contract with Garda Canada Security Corporation for the expansion of mobile and static security guard services in the amount of \$1,100,000 net of all taxes and charges on terms and conditions consistent with the existing contract.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.PA22.4>

At its meeting of December 12, 2019 in considering item PA11.6, the Board granted management the authority to award a two-year contract to Garda Canada for the security of its off-street facilities for the period between January 1, 2020-December 6, 2021 for an amount not to exceed \$4,074,259.65, subject to annual inflation adjustments as applicable based on Consumer Price Index in accordance with the contract provisions and net of all taxes and charges, and authorized the President, Toronto Parking Authority to recover from the Toronto Transit Commission the estimated total amount of \$423,485.53 over the term of the contract (2019-2021).

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.PA11.6>

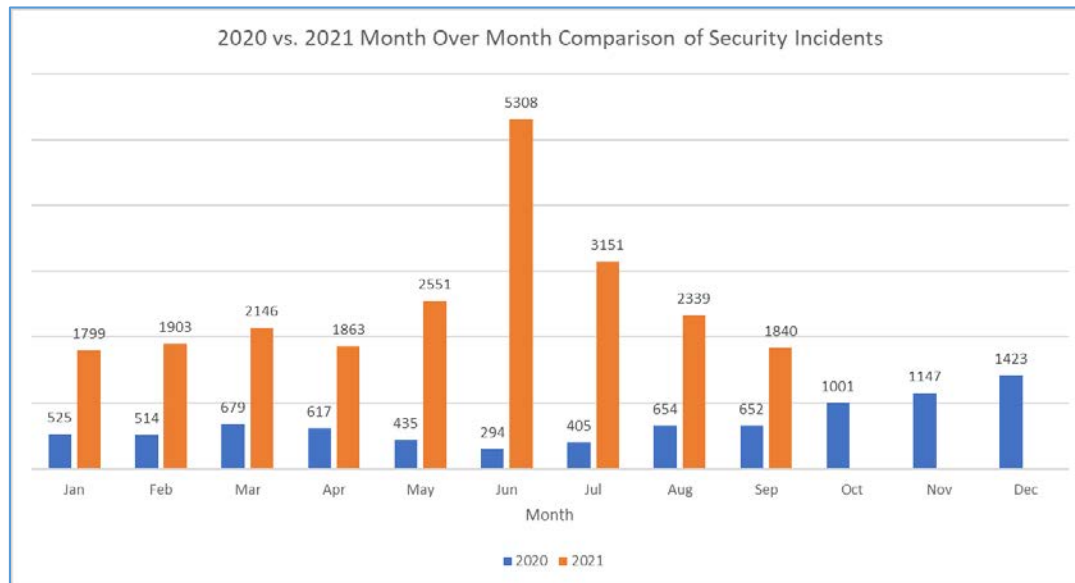
At its meeting of March 5, 2018 in considering item PA8.4 titled "Matters Arising from Ongoing Reviews of Delivery of Security Services", directed the City of Toronto's Director of Corporate Security to conduct a comprehensive assessment of TPA security strategies, plans and deployment, covering all aspects the Director considers appropriate.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.PA8.4>

COMMENTS

Over the last 12 months, the TPA has seen an ongoing requirement for additional security services to ensure the safety of our customers and frontline employees. Since the winter of 2020, the TPA has seen the number of security incidents increase threefold (See Table 3). These incidents include vandalism, drug use, fire alarm activation, biological contamination, damage to customer vehicles, and harassment of customers and staff. These incidents drove a marked increase in customer complaints. Further, frontline staff expressed similar concerns for the customers and exacerbated personal concerns over their safety at night or while working alone.

Table 3: Reported Security Incidents (2021 versus 2020)



This contract adds additional scope as outlined in Table 2. Executionally, the new programme will increase static guard deployment by 22 percent and mobile guard presence by 10 percent versus 2021.

Furthermore, the new contract will afford Management the opportunity to leverage Garda's global best practice as we reimagine our long-term approach to security at our facilities. Garda has significant knowledge of and experience with:

1. Security or Crime Prevention Through Environmental Design (CPTED) principles;
2. Use of lighting, sonic, smells and visual countermeasures; and
3. Integration of technology to prevent criminal or vagrant activity.

CONTACT

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SIGNATURE

W. Scott Collier, President
Toronto Parking Authority

ATTACHMENTS

Attachment 1 – 2021 Evaluation Guideline – TPA Contract Security Services