

Non-Competitive Contracts with Jenoptik Smart Mobility Solutions, LLC for Red-Light Camera Systems

Date: July 6, 2026

To: General Government Committee

From: General Manager, Transportation Services and Chief Procurement Officer

Wards: All

SUMMARY

The purpose of this report is to request City Council authority to enter into two (2) non-competitive contracts with Jenoptik Smart Mobility Solutions, LLC (formerly Traffipax LLC) for the supply, installation, operation, and maintenance of red-light camera systems (RLCs) within the City of Toronto. The RLC program is an important component of the City of Toronto's Vision Zero Road Safety Plan.

The City of Toronto currently operates 299 RLCs, with equipment and program support provided under two contracts with Jenoptik Smart Mobility Solutions LLC. These contracts, one covering 150 cameras, and the other covering 149 cameras, were both awarded through competitive procurement processes undertaken by the City. The contract covering 150 RLCs expires on December 31, 2026, while the contract covering 149 RLCs expires on May 7, 2027. The City's intention for the next contract is to award one contract only covering all 299 RLCs. Preparation of this contract is well underway. However, with the City Council recess for the Municipal election in October, authority to award the new contract could not be obtained before the current contract for 150 RLCs expires at the end of December 2026. These two non-competitive contracts are therefore required to ensure continuity of service.

The first requested contract value is \$4,183,865 net of all applicable taxes and charges (\$4,257,501 net of HST recoveries), for an 18-month period from January 1, 2027 to June 30, 2028 (RFP 9148-15-5000).

The existing contract was awarded to Jenoptik Smart Mobility Solutions LLC for the supply, installation, operation, maintenance and future removal of red light camera systems for a (5)-year period from January 1, 2017 to December 31, 2021 with the option to renew for one (1) additional five (5)-year period from January 1, 2022 to

December 31, 2026. The option period was exercised, and the contract is scheduled to expire on December 31, 2026.

The second requested contract value is \$4,128,286 net of all applicable taxes and charges (\$4,200,944 net of HST recoveries) for a 14-month period from May 8, 2027 to June 30, 2028 (RFP Doc2184528757). The existing contract was awarded to Jenoptik Smart Mobility Solutions LLC for the provision of Red Light Camera Services and maintenance of Red Light Camera image processing services following the end of the contract term, for a five (5)-year period from May 8, 2020 to May 7, 2025, and the option to renew for one (1) additional two (2)-year period from May 8, 2025 to May 7, 2027.

The terms and conditions will remain the same as those contained in the Agreement between the parties executed pursuant to RFP 9148-15-5000 and RFP Doc2184528757. The total potential contract awards identified in this report for Jenoptik Smart Mobility Solutions, LLC is \$8,312,151 net of all applicable taxes and charges (\$8,458,445 net of Harmonized Sales Tax recoveries).

Due to delays in the development and issuance of the replacement competitive solicitation, including the additional time required to procure and retain a Fairness Monitor to oversee the solicitation in response to previous audit reports and related recommendations, extensions of the two (2) contracts are required to maintain uninterrupted services and to avoid any potential impacts on road safety.

The proposed extensions will ensure the continued supply, maintenance and operation of the City's red-light cameras through to June 30, 2028, with both contracts expiring concurrently. This non-competitive procurement will be proceeding under the exception related to "Other Reason", for non-competitive requirements that do not apply to any of the other reason codes available to support the request and the City has determined in good faith that both the proposed procurement and the selected supplier, along with the terms and conditions of the contract, are beneficial to the City (Toronto Municipal Code, Chapter 195, Procurement, Section 7.1.P).

City Council approval is required in accordance with Municipal Code Chapter 195, Procurement, where the current request exceeds the Chief Procurement Officer's authority of the cumulative five-year (5) commitment for each supplier, under Article 7, Section 195-7.3 (D) of the Procurement 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, Section 71-11A.

RECOMMENDATIONS

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

1. City Council authorize the General Manager, Transportation Services to negotiate and enter into a non-competitive agreement with Jenoptik Smart Mobility Solutions, LLC for the supply, installation, operation, maintenance and removal of red light camera systems in the amount of \$4,183,865 net of all applicable taxes and charges (\$4,257,501 net of HST recoveries), for the period of January 1, 2027 to June 30, 2028, subject to terms and conditions satisfactory to the General Manager, Transportation Services, and in form acceptable to the City Solicitor.

2. City Council authorize the General Manager, Transportation Services to enter into a second non-competitive agreement with Jenoptik Smart Mobility Solutions, LLC for the supply, installation, operation, maintenance and removal of red light camera systems in the amount of \$4,128,286 net of all applicable taxes and charges (\$4,200,944 net of HST recoveries), for the period of May 8, 2027 to June 30, 2028, subject to terms and conditions satisfactory to the General Manager, Transportation Services, and in form acceptable to the City Solicitor.

FINANCIAL IMPACT

The total estimated contract value identified in this report is \$8,312,151 net of all applicable taxes and charges. The total cost to the City is \$8,458,445 net of HST recoveries.

The funding required for the contract will be included for consideration in the 2027 Operating Budget Submission Process for Transportation Services.

Table 1: Financial Impact Summary (net of HST recoveries)

Description	Cost Centre	Cost Element	2027	2028	Total (net of HST recoveries)
Contract for RFP 9148-15-5000	TS8040	5020026	\$2,838,334	\$1,419,167	\$4,257,501
Contract for RFP Doc2184528757	TS8040	5020026	\$2,377,704	\$1,823,240	\$4,200,944
			\$5,216,038	\$3,242,407	\$8,458,445

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

DECISION HISTORY

At its meeting on October 1 and 4, 2021, City Council adopted item IE24.6, authorizing the General Manager, Transportation Services, to negotiate, enter into and execute any amendments to the agreement(s) between the City of Toronto and Traffipax LLC (Jenoptik Smart Mobility Solutions, LLC), to operate an additional 70 Red Light Cameras during the five-year option term from January 1, 2022, to December 31, 2026). The Council decision can be found at:

<https://secure.toronto.ca/council/agenda-item.do?item=2021.IE24.6>

At its meeting on April 30, 2020, City Council adopted item IE12.10 authorizing the General Manager, Transportation Services, to negotiate and enter into an agreement with Traffipax LLC. (Jenoptik Smart Mobility Solutions, LLC), being the highest overall scoring proponent meeting the requirement for Request for Proposal Doc2184528757, for the provision of Red-Light Camera services for 5 years. The Council decision can be found at:

<https://secure.toronto.ca/council/agenda-item.do?item=2020.IE12.10>

At its meeting of June 26, 2018, City Council requested the General Manager, Transportation Services to double the number of red-light cameras and evaluate the feasibility of significantly expanding the Red-Light Camera program as part of the Vision Zero Road Safety Program. The Council decision can be found at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX35.26>

At its meeting of September 30, October 1 and 2, 2015, City Council adopted the recommendations of Report No. PW7.8 "Red Light Cameras - Status Update and Phase 3 Contract Award (Request for Proposal No. 9148-15-5000 - 2017 to 2021)". This report discusses the contract award to Traffipax LLC (now Jenoptik Smart Mobility Solutions LLC), for the supply, installation, operation, maintenance and future removal of red light camera systems for the five (5) year period from January 1, 2017 to December 31, 2021, with the option to renew for five (5) additional years at the sole discretion of the City and subject to budget approvals. The Council decision can be found at:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.PW7.8>

COMMENTS

The Red Light Camera (RLC) program is an important component of the City of Toronto's Vision Zero Road Safety Plan. It operates alongside other Vision Zero strategies, including engineering measures, education initiatives, and traditional police enforcement. The program is intended to influence driver behaviour by reducing red-light running and improving safety at signalized intersections. Evidence indicates that the RLC program has been effective in reducing collisions at signalized intersections, particularly those that result in fatalities or serious injuries.

The City of Toronto currently operates 299 RLCs, with equipment and program support provided under two contracts with Jenoptik Smart Mobility Solutions LLC. These

contracts, one covering 150 cameras and the other covering 149 cameras, were both awarded through competitive procurement processes undertaken by the City.

Blanket Contract Number 47020019, covering 150 cameras, is scheduled to expire on December 31, 2026, while Blanket Contract Number 47023190, covering 149 cameras, will expire on May 7, 2027. Based on current installation timelines, it is unlikely that 299 new RLC systems will be fully installed and operational prior to both contracts' expiration dates.

Transportation Services staff are currently undertaking a competitive procurement process to establish a new contract for the continued provision of RLC equipment and related program services, which will consolidate the two existing contracts into a single agreement. The evaluation process is rigorous and includes detailed technical, operational, and legal requirements to ensure the system complies with provincial legislation governing the issuance of RLC violation notices. As a result, the procurement process and subsequent contract award can not be completed in sufficient time to obtain Council authority prior to the final Council meeting before the municipal election blackout period. This would mean that the new contract could not be awarded before expiry of the current contract, for 150 RLCs, in December 2026.

Following contract award, time is also required to implement the program under the new contract. The installation and commissioning of RLC sites occur on a phased basis and typically progresses at a rate of approximately 20 to 25 sites per month, depending on weather conditions and construction constraints. As a result, a transition period is required to allow for the orderly deployment of equipment at existing and planned camera locations.

To ensure continuity of the RLC program and avoid potential service disruptions, authority is being sought to enter into two contracts with Jenoptik Smart Mobility Solutions LLC., while the competitive procurement process is completed and the new contract is implemented. If all remaining sites are installed and operational before the end of the contract period, the City reserves the right to terminate the contract early.

The Fair Wage Office confirms the recommended supplier understands the Fair Wage policy and labour trades requirements and have agreed to comply fully.

CONTACT

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SIGNATURE

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