



Procurement Authorization – Wheel-Trans Mobile Data Terminal and Automatic Vehicle Location Solution and Support Services

Date: April 16, 2026
To: TTC Board
From: Chief Information Officer

Recommendations

It is recommended that the TTC Board:

1. Authorize the award of a contract to Innovations in Transportation (INIT) Inc. for the Wheel-Trans Mobile Data Terminal and Automatic Vehicle Location hardware, software, implementation, and support services in the amount of \$10,599,874.60, inclusive of HST, for an initial term of 11.5 years commencing on May 1, 2026, with an option for a two-year extension for ongoing support and maintenance, valued at \$1,559,761.60, inclusive of HST, resulting in a total potential contract value of \$12,159,636.20, inclusive of HST.

Summary

At its June 23, 2025 meeting, the TTC Board delegated authority to the CEO to award contracts (other than single source) provided the award value was within the approved budget, and the contract does not exceed a maximum term of five years, including optional terms, or the projected term of capital funding for a project as otherwise approved by the Board and City Council. TTC Board approval is required to award this competitively bid Wheel-Trans Mobile Data Terminal (MDT) and Automatic Vehicle Location (AVL) contract as the term exceeds five years.

Wheel-Trans operations rely on onboard technology to manage vehicle dispatching, trip execution, and communication between Wheel-Trans Operators and Dispatchers.

The current MDT and AVL technology installed on Wheel-Trans vehicles has reached end-of-life, which creates operational and reliability risks. As part of the Wheel-Trans 10-Year Transformation Program, the TTC is modernizing key operational systems to ensure the service remains reliable, accessible, and capable of meeting future service expectations.

The recommended contract will replace the legacy MDT/AVL system with a modern platform that provides reliable real-time vehicle tracking, improved communication between operators and dispatch, and enhanced customer information capabilities, including the ability for customers to track their vehicle arrival in real time.

Background and Analysis

The Wheel-Trans MDT/AVL replacement initiative forms part of the TTC's Wheel-Trans 10-Year Transformation Program. The MDT/AVL system is a core operational technology that enables Wheel-Trans Dispatchers and Operators to co-ordinate and manage day-of-service operations effectively.

MDTs are in-vehicle devices used by Wheel-Trans Operators to receive trip assignments, communicate with Dispatch, and report operational information.

AVL technology uses GPS and communication systems to provide real-time information on vehicle location, enabling Wheel-Trans Dispatch staff to monitor vehicle movement and manage Wheel-Trans service operations.

These systems are critical to ensuring Wheel-Trans customers receive safe, reliable, and coordinated service.

The existing MDT/AVL solution has reached its end-of-life, which creates increasing risks, including:

- Aging hardware with rising failure rates.
- Limited vendor support.
- Technology constraints that limit modernization.

Upgrading to a new MDT/AVL solution will provide operational and customer benefits, including:

- Improved Trip Arrival Prediction: An upgraded system will leverage existing traffic situation to provide improved accuracy for trip arrival prediction for customers.
- Trip Re-routing: In the event of traffic delays and road closures, the system will re-route the operator with the most optimized trip directions.
- Improved Communication between Operators and Dispatch: New system will support two-way text communication between Operators and Dispatchers.
- State of Good Repair: Replacing the legacy system ensures Wheel-Trans technology remains reliable, supported, and maintainable.

Procurement Process

A Request for Proposal (RFP) was publicly advertised on Bonfire and MERX e-Tendering websites as well as the TTC website on February 12, 2025. A total of 49 companies downloaded the RFP documents, and three proponents submitted proposals by the proposal closing date of April 9, 2025. During the proposal period, three addenda were issued. As this is a non-binding RFP, there is no proposal validity date.

The following three companies submitted proposals by the proposal closing date:

- Element Fleet Management.
- Innovations in Transportation (INIT) Inc.
- Left Turn Advancement (LTA).

Evaluation Steps

1) Stage I – Mandatory Submission Requirements (Pass/Fail)

Stage I was to confirm the proponents submitted the mandatory requirements as outlined in the RFP. All three proponents passed this stage and proceeded to Stage II.

2) Stage II – Rated Criteria (55 points)

Stage II consisted of a TTC evaluation committee reviewing the proposals and assigning scores based on the non-price-rated criteria as outlined in the RFP. A maximum score of 55 points was available, and a minimum of 33 points was required to proceed to the next evaluation step. Two of the three proposals met the minimum scoring requirement and proceeded to Stage III of the evaluation.

3) Stage III – Proof of Solution (Demonstrations) (20 points)

At this stage, proponents were required to provide demonstrations of their proposed solutions, which were scored by the TTC evaluation team. A minimum of 12 points out of a possible 20 points was required to pass this stage. Both proponents met the minimum scoring requirement and proceeded to Stage IV of the evaluation.

4) Stage IV – Pricing (25 points)

This stage was an evaluation of the proponent's submitted pricing, based on the price evaluation formula as set out in the RFP. This stage did not include a minimum scoring threshold and both proponents moved to Stage V of the evaluation.

5) Stage V – Ranking of Proponents

The sum of the scores from Stage II, III, and IV were tallied and the highest scoring proponent was selected to proceed to the negotiation stage as outlined in the RFP.

6) Stage VI – Contract Negotiations

The highest-scoring proponent was INIT Inc. and an acceptable agreement has been negotiated. INIT Inc. is the incumbent supplier of the TTC's Wheel-Trans MDT services, as such, TTC was able to leverage existing hardware and software licenses that had been previously purchased from INIT resulting in a reduction of approximately \$5.48M, including HST, from INIT's submitted proposal price as compared to the recommended contract value.

Following the initial 11.5-year contract term, the two-year extension option will be exercised at the TTC's sole discretion and can be authorized under staff authority.

Diversity, Equity, and Inclusion Matters

This project supports the TTC's commitment to advancing equity, diversity, inclusion, and accessibility across all services. By modernizing Wheel-Trans' MDT/AVL systems, the initiative enhances service reliability and ensures that customers with disabilities receive more consistent, responsive, and dignified service. Improved real-time communication and tracking capabilities help reduce barriers to mobility and better reflect the diverse needs of the communities the TTC serves. The initiative also aligns with ongoing actions in the TTC's Accessibility and Anti-Racism strategies by supporting fair, transparent, and customer-centred service delivery. Overall, this upgrade reinforces the TTC's organizational commitment to fostering an inclusive and equitable transit experience for all riders.

Innovation and Sustainability Considerations

The proposed MDT/AVL solution introduces modern digital capabilities that enhance operational efficiency and customer information services.

Real-time vehicle tracking, improved communication between Operators and Dispatch, and enhanced data availability will enable more responsive service management and support future service optimization initiatives.

The system will also provide a technology platform capable of supporting future digital enhancements, including improved customer information tools and operational analytics.

Corporate Plan Alignment

This initiative supports the Wheel-Trans modernization objectives and aligns with the TTC's Corporate Plan 2024-2028, *Moving Toronto, Connecting Communities*. By upgrading critical in-vehicle systems, the project improves service reliability, operational efficiency, and real-time communication, which are foundational to delivering accessible and dependable Wheel-Trans service.

The introduction of a modern MDT and AVL platform strengthens integration with the TTC's enterprise scheduling and dispatch systems, enabling more accurate data, streamlined workflows, and improved service co-ordination across Wheel-Trans operations. This investment supports the Corporate Plan's strategic direction to *Transform and Modernize for a Changing Environment* by replacing end-of-life technology with a scalable, data-driven platform that enables continuous improvement and future digital enhancements.

Overall, the project advances the TTC's objective of delivering a more consistent, transparent, and customer-focused Wheel-Trans service, while establishing a modern technology foundation that supports long-term sustainability and accessibility.

Financial Impact

The total value of this contract award for the initial 11-and-a-half-year term is \$10.6 million, which encompasses both capital and operating costs. Additionally, the contract includes an optional two-year extension term valued at \$1.6 million. Table 1 below summarizes the total capital and operating contract values:

Table 1: Contract Value of the Initial and Extension Terms (\$000s):

Contract Value	Initial Term (11.5 years)	Extension 1 (2 years)	Total
Capital	3,985	-	3,985
Operating	6,615	1,560	8,175
Total	10,600	1,560	12,160

The capital and operating expenditures of this contract for the entire term of up to 13.5 years are summarized and presented below:

Capital Expenditures

The capital expenditures associated with the contract amount to \$3.6 million, net of HST rebate. These costs encompass hardware, software, and implementation services.

The capital expenditures for each year of the contract term are outlined in Table 2 below:

Table 2: Capital Expenditures by Year (\$000s)

Contract Value	2026	2027	Total
Hardware & Software	204	1,766	1,970
Implementation Services	464	1,093	1,557
HST Non-Rebatable (1.76%)	12	50	62
Total Contract Expense	680	2,909	3,589
Rebatable HST	75	321	396
Total Authority (Including HST)	755	3,230	3,985

Operating Expenditures

Starting in 2028, after the implementation of the solution is completed, the operating expenditures associated with the contract, net of HST rebate, is \$6.0M for the initial term and \$1.4M for the optional two-year extension term. These costs represent warranty for the hardware for one year and the ongoing maintenance and support expenses over its contract lifespan.

The operating expenditures for each year of the contract terms are outlined in Table 3 below:

Table 3: Operating Expenditures by Year (\$000s)

	Initial Term										Extension 1		
Contract Value	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	Total
Warranty & Support Services	367	561	569	575	590	605	621	638	655	672	690	690	7,233
HST Non-Rebatable (1.76%)	6	10	10	10	10	11	11	11	12	12	12	12	127
Total Contract Expense	373	571	579	585	600	616	632	649	667	684	702	702	7,360
Rebatable HST	41	63	64	65	66	68	70	72	74	76	78	78	815
Total Authority (Including HST)	414	634	643	650	666	684	702	721	741	760	780	780	8,175

Funding

Capital Funding

Funds for this capital expenditure are included in the TTC's 2026-2035 Capital Budget and Plan Program, under Capital Program 3.9, Wheel-Trans 10-Year Transformation Program, which was approved by the TTC Board at its meeting on January 7, 2026 and by City Council at its meeting on February 10, 2026.

The total cost for the Wheel-Trans 10-Year Transformation Program is \$49.8 million, comprising of costs to the end of 2025 of \$37.3 million and approved funding in 2026 and 2027 of \$11.9 million, as presented in Table 4:

Table 4: Wheel-Trans', TTC's 2026-2035 Capital Budget and Plan Program (\$000s)

	LTD Actuals to 2025	2026 Budget	2027	2028	2029	2030	2031- 2035	10-Year Total	Total Project Cost
Wheel-Trans 10-Year Transformation Program	37,903	5,406	6,486	-	-	-	-	11,892	49,795

Wheel-Trans Operating Funding

The operating funds, as noted in Table 3 above, will be included in future budget submissions and are subject to annual approvals by the TTC Board and City Council.

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

Contact

Omar Jabbar, Sr. Project Manager
416-857-2552
omar.jabbar@ttc.ca

Carlos Guerra, Manager – Application Portfolios
437-246-2606
carlos.guerra@ttc.ca