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Item No. 11.1.6

Halifax Regional Council
October 21, 2008

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

Dan English, Chief Administrative Officer

Wayne Anstey, Deputy Chief Administrative Officer - Operations

DATE: September 17, 2008

SUBJECT: **Award - RFP No. 08-130 Supply and Installation of Mobile Surveillance Equipment for Metro Transit Vehicles**

ORIGIN

The supply and installation of a mobile surveillance system for Metro Transit Vehicles was approved in the Capital Budget for a phased implementation over five years beginning in the 2008/09 Capital Budget.

RECOMMENDATION

It is recommended that Council:

- 1) authorize the transfer of \$1,006,016 from Capital Account CB200428 - Transit Terminal Upgrade and Expansion to CRESPOOL;
- 2) increase the gross capital budget for CMU00982 - Transit Security by \$1,187,016 through
 - a) an advanced capital approval of \$181,000 (Transit Security - CMU00982, 2009/2010), and,
 - b) CRESPOOL for \$1,006,016;
- 3) award RFP No. 08-130, Supply and Installation of Mobile Surveillance Equipment for Metro Transit Vehicles to the highest scoring proponent, Nova Communications, at a cost of \$1,287,016 (net HST included) with funding as outlined in the Budget Implications section of this report.

BACKGROUND

Metro Transit identified the need for the phased installation of mobile surveillance cameras beginning in the 2008/09 Capital Budget. All Metro Transit vehicles were to have mobile camera systems installed over the next five years in order to improve the security of the transit system. Numerous transit properties across Canada and the United States are installing mobile camera systems on buses, subway and light rail cars as a means to better protect employees and passengers by deterring a variety of criminal activities from taking place on buses while providing evidence for convictions should that activity occur.

Metro Transit has experienced an increase in the aggressiveness of incidents occurring against its operators. Within the past year, there have been a number of operator assaults that have resulted in the operator being injured and not being able to immediately return to the workplace. On July 27, 2008, a significant assault against a female operator on-board a bus occurred. This resulted in the identification of a more aggressive installation time line for on-board mobile surveillance camera systems. The intended purpose of the mobile video surveillance equipment is to:

- enhance employee and passenger safety;
- provide law enforcement information and evidence of any illegal activities on the buses;
- deter vandalism, harassment and inappropriate behaviour/conduct;
- increase effectiveness of customer concern investigations;
- aid in the identification of operator re-training opportunities; and,
- provide objective evidence in the event of any claims with respect to operations.

DISCUSSION

A Terms of Reference setting the scope of work was prepared and a Request for Proposals was issued and closed on August 28, 2008 for RFP No. 08-130 Supply and Installation of Mobile Surveillance Equipment for Metro Transit Vehicles. The overall objective of this project is to identify the best qualified mobile surveillance equipment solution based on the objectives, requirements and functionality identified by Metro Transit. This project is a critical component of Metro Transit's security initiatives identified to improve overall system safety and security for operators and passengers.

RFP RESPONSES

Proposals were received from the following firms:

- < ADT Advanced Integration;
- < AML Communications Inc.;

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- < Atlantic Alarm and Sound;
- < Atlantic Hospitality & Technologies Inc.;
- < Backman Vidcom Ltd.;
- < Chubb Security Systems;
- < Gateway Security Systems Ltd.;
- < March Networks ;
- < Nova Communications;
- < Safety Vision; and,
- < Stanley Security Solutions.

Received proposals were initially reviewed to ensure that the submissions were complete and that the proponents clearly met the qualifications as outlined in the Request for Proposal. Of the eleven proposals received, four responses did not receive further review as the submission was either incomplete based on the proposal requirements and/or the proponent did not meet the outlined qualifications. There were seven proponents short-listed for evaluation. Once the qualitative evaluation was completed, short listed proponents were requested to submit a document clarifying the operating costs over five years. Six out of seven proponents responded to the request resulting in one proponent not being considered further in the evaluation.

An evaluation committee of HRM staff, representing a variety of affected business areas including Metro Transit, Information Technology, Corporate Security, and facilitated by Procurement, reviewed all proposals against the terms of reference and short listed qualified proponents. These proponents were evaluated against the following criteria:

Qualitative Evaluation Criteria

- < their understanding of the scope and objectives of the project;
- < the suitability of equipment;
- < the installation schedule;
- < experience on similar project;
- < references;

Quantitative Evaluation Criteria

- < capital costs; and,
- < ongoing operating cost impacts.

Due to the importance of the project and based on input from other transit properties, significant importance was placed on the suitability of equipment to ensure that it is conducive to a mobile, mass transit application that operates well under all types of weather and road conditions. Proponents needed to demonstrate their experience in previous transit bus installations as this knowledge would be reflected in their operational plan for installations, demonstrating an understanding of the operational requirements of a transit system. The proposals were also evaluated from a position of fiscal responsibility for both capital and operating costs as this is another key component for evaluation.

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The final scoring of the short-listed proponents is as follows:

Company	Scoring (max.100)
Nova Communications*	82
Atlantic Alarm and Sound	67
Safety Vision	64
Stanley Security Solutions	64
Backman Vidcom	61
ADT Advanced Integration	58
March Networks	54

Refer to Appendix “A” for a detailed breakdown of the total scoring and costs.

* The following outlines the details included as part of the \$1, 287,016 (net HST included) cost:

- the Explorer Digital Video Recording System manufactured by Seon Design of Coquitlam, BC, which will accept up to eight channels of video and two channels of audio;
- vehicle installation, testing, and ongoing support by Nova Communications includes: system installation and commissioning; documentation (system design, proof of concept testing; reliability testing; system usage & administration training; and, system integration with CAD/AVL (panic alarm button, microphone) engineering;
- software licensing fees (lifetime);
- 3rd party licenses (lifetime);
- system maintenance, technical support & trouble shooting (1 year);
- defective product replacement (1 year) ; and
- integration with existing on - bus systems to maximize initial and future functionality while minimizing incremental capital and operating costs.

There is minimal cost difference between the three proponents with the lowest combined cost proposals - Atlantic Alarm & Sound Inc., Backman Vidcom and Nova Communications. The objective of the RFP was to identify the best qualified proponent to provide the requested services. The recommended proponent achieved the highest overall score based on the combined qualitative and quantitative evaluation. The recommended proponent does not have the lowest overall cost. The two lower cost proposals had lower qualitative scores resulting in lower overall scores. Lowering the point value for the operating cost section of the evaluation while holding all other factors constant

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would not result in a change in the recommended proponent. Similarly, increasing the score for the capital cost component would also not have resulted in a change in the highest scoring proponent. The recommended proponent provides a solution that meets the requirements of a fiscally responsible mass transit system and the need for a high quality product.

It is anticipated that installation will take 26 weeks and will begin before the end of November 2008. A full five-year service agreement (first year is already included in the total tender price) will include service, all parts (including cameras, hard drives, DVR's, etc.) and labour on a 24 hour, 7 day per week, 365 days per year basis with a guaranteed 48-hour resolution time. The operational cost for year two (2) through year five (5) will be \$140,000; or \$35,000 per year starting in Year 2 is included in Appendix A as part of the operating cost evaluation criteria.

It is also anticipated that beyond five years, there may be the requirement to continue servicing and sourcing through Nova Communications and Seon Design. This strategy will be dependant upon both market conditions and technological environment at that time.

BUDGET IMPLICATIONS

Based on approval of Recommendations 1 and 2, funding is available from Capital Account CMU00982 - Transit Security and recommended to be transferred as follows:

Budget Summary:

<u>Capital Account No.</u>	<u>CB200428 - Transit Terminal Upgrade and Expansion</u>	
	Cumulative Unspent Budget	\$2,833,086.
	Less: Funding Transfer to CRESPOOL	<u>1,006,016</u>
	Balance	\$1,827,070.
 <u>Capital Account No.</u>	 <u>CMU00982 - Transit Security</u>	
	Cumulative Unspent Budget	\$ 192,235.
	Plus: Advance Capital Request 2009/2010	181,000
	Plus: Increase of Funding (CRESPOOL)	1,006,016
	Less Tender 08-130	<u>\$1,287,016</u>
		\$92,235.

The Budget has been confirmed by Financial Services.

The deferral of funds from the Transit Terminal Upgrade & Expansion account will not significantly impact the implementation of the Dartmouth Bridge Terminal Expansion/Relocation project as the remaining budget will be sufficient to undertake all design related activities planned for this budget cycle. Construction of the new terminal is not expected until a later budget year.

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There are no operating costs associated with this project in the first year after installation as the operating costs are included in the total tender price. Therefore, there are no operating budget implications within the 08/09 operating budget. It is anticipated that the annual operating cost of \$35,000 in years two through five can be managed through the existing operating budget in Metro Transit's cost centre R638.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

Council could chose not to award this contract and have staff continue to work closely with Police, and through the use of additional of Mobile Service Supervisors, work to mitigate the risk to both operators and the public. This is not a recommended alternative as staff believe it is time to move forward with the installation of the surveillance cameras.

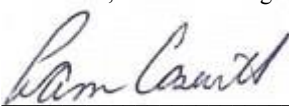
ATTACHMENTS

Appendix "A" - RFP No. 08-130 - Summary of Evaluation Criteria

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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Appendix “A”
Summary of Evaluation Criteria

HALIFAX REGIONAL MUNICIPALITY Request for Proposals RFP # 08-130 Supply and Installation of Mobile Surveillance Equipment for Metro Transit Vehicles								
Criteria	Max Score	Stanley	Safety Vision	ADT	Nova Communication	Backman Vidcom	Atlantic Alarm	March Networks
Qualitative Criteria								
Project Understanding	10	8	6	8	9	7	4	7
Suitability	30	25	25	20	27	23	22	24
Implementation Schedule	10	8	6	8	6	6	6	6
Experience	10	8	10	7	7	6	7	7
References	10	6	9	6	6	4	5	7
Sub Total		55	56	49	54	46	44	51
Quantitative Criteria								
Capital Cost (including net HST)	10	4.52 \$1,917,574	6 \$1,428,521	3.42 \$2,537,102	6.74 \$1,287,016	10 \$867,558	7 \$1,231,483	2.60 \$3,342,679
Operating Cost (Year 2 to year 5)	20	4.67 \$600,000	2.38 \$1,175,580	6 \$467,098	20 \$140,000	5 \$550,000	16 \$171,760	0 not submitted
Sub Total		9.19	8.38	9.42	26.74	15	23	0
Total Score Max 100 (rounded off)		64	64	58	82	61	67	51
Total cost over 5 years		\$2,517,574	\$2,604,107	\$3,004,200	\$1,427,016	\$1,417,558	\$1,402,966	