



Report to: General Committee

Meeting Date: February 16, 2021

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**SUBJECT:** Award of Proposal 102-R-20 Consulting Services -Supply, Implementation, and Ongoing Support of a Parking Enforcement E-Ticketing and Payment Solution

**PREPARED BY:** Anu Yogeswaran, Ext 3658  
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**RECOMMENDATION:**

1. That the report entitled “Award of Proposal 102-R-20 Consulting Services - Supply, Implementation, and Ongoing Support of a Parking Enforcement E-Ticketing and Payment Solution” be received; and,
2. That the contract 102-R-20 for Supply and Implementation of a Parking Enforcement E-Ticketing and Payment Solution (One time - hardware, implementation and training costs) (Recurring - software licenses, ongoing support and maintenance) be awarded to the highest ranked/lowest priced bidder, Groupe Techna Inc. in the amount of \$210,996.28 inclusive of HST; and,
3. That a contingency in the amount of \$21,099.63 inclusive of HST be established to cover any additional project costs be approved, and that authorization be granted to approve expenditures of this contingency amount up to the specified limit in accordance with the Expenditure Control Policy; and,
4. That staff be authorized to hire a Business Support project resource for 10 months at a cost of \$104,032.82 to support the project implementation; and,
5. That the capital costs be funded from capital project GL account 400-101-5399-20053 and GL account 049-6150-18316-005, with a combined available budget of \$623,745.00; and,
6. That the remaining budget in the amount of \$287,616.27 (\$623,745.00 - 336,128.73) be returned to the original funding source; and,
7. That the contract for software licenses, ongoing support and maintenance costs for 9 years be awarded to Groupe Techna Inc. in the amount of \$385,073.44, inclusive of HST (\$199,001.60 fee for 5 years + \$186,071.84 fee for the 4 renewal options) to be funded from 400-400-5361 with a current annual budget of \$15,526.54, and subject to Council approval of the 2022-2030 operating budgets in the amounts of:
  - a. Year 2 (2022) - \$ 39,800.32
  - b. Year 3 (2023) - \$ 39,800.32

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- c. Year 4 (2024) - \$ 39,800.32
  - d. Year 5 (2025) - \$ 39,800.32
  - e. Year 6 (2026) - \$ 39,800.32
  - f. Year 7 (2027) - \$ 46,517.96 \*
  - g. Year 8 (2028) - \$ 46,517.96 \*
  - h. Year 9 (2029) - \$ 46,517.96 \*
  - i. Year 10 (2030) - \$ 46,517.96 \*
  - Total - \$385,073.44

\* Optional Year Renewal

- 8. That the Chief Administrative Officer and Commissioner, Corporate Services be authorized to approve the additional renewal years (Years 7 to 10) on behalf of the City (in its sole discretion), and execute any required documentation in a form satisfactory to the City Solicitor; and,
- 9. That Groupe Techna Inc. be designated as the preferred vendor for the City's Parking Enforcement E-Ticketing and Payment Solution service needs at the sole discretion of the City and for Groupe Techna Inc. software products for the term of this contract; and,
- 10. That the Chief Administrative Officer and Commissioner, Corporate Services be authorized to approve any new purchases related to this contract needed due to growth and/or future Parking Enforcement E-Ticketing and Payment Solution upgrades due to change in technology or system integration with other applications related to the project during the term of this contract, subject to the Expenditure Control Policy and budget approval, in a form satisfactory to the City Solicitor and at the sole discretion of the City; and further,
- 11. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

The purpose of this report is to obtain approval to award the contract 102-R-20 for the supply, implementation and ongoing support of a parking enforcement e-ticketing and payment solution

**BACKGROUND:**

In 2015, the City implemented an Administrative Monetary Penalty System (AMPs) for by-law prosecutions. The current e-ticketing and payment system platform is used to produce penalty notices, notice letters, and to process AMPs fines that have gone into default to Ministry of Transportation license plate denial.

The current e-ticketing and payment system (ParkSmart) is over 10 years old and the current platform does not offer commonly available enforcement and payment features needed for a mobile and modern By-Law team. For example, the current system does not allow for the online scheduling or holding of screening or hearing appointments. Further,

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with its limited software functionality, the City can only utilize the system for parking violations. In order to scale-up for a full implementation of AMPs, the City requires updating of the current system to accommodate prosecution of all regulatory by-laws. In addition, the current hardware devices (AutoCite) used by the parking enforcement officers require a major upgrade, and additional hardware devices are not available, forcing the City to rely on refurbished equipment, which is also in limited supply. In addition, with the manufacturer no longer supporting the system, the City does not receive any technical assistance, bug fixes or system upgrades.

This project has been initiated to select a new e-ticketing and payment solution, as the current product (ParkSmart) has come to end of life. The new system will be a robust and comprehensive application that provides the ability to efficiently maintain and grow to meet customers' expectations, in a cost effective and efficient manner. This is also a good opportunity to meet business needs and expectations that have changed over the last number of years as well as benefit from new technology capabilities such as mobile, that are evolving quickly.

The City of Markham issued an RFP for software and services to deliver and implement an e-ticketing and payment solution with the following variety of functions including (at a minimum), but not limited to the provision of:

- A one-stop shop software solution that can execute a parking enforcement ticketing, parking permits processing and payment solution that is Payment Card Industry (PCI) compliant.
- Conducting in person and **virtual** screenings and hearings through the system. This feature is a significantly important ask for the City of Markham. An amendment has been made to By-law 2015-93 and 2016-84, which requires the City to provide for virtual screenings and hearings through electronic technology devices in accordance with the *Statutory Powers and Procedures Act*.
- Current and future integration with other organizational systems, including, but not limited to Ministry of Transportation Ontario and Markham's internal systems.
- Management of other parking services as part of the recommended solution, such as parking permits, parking authority, complaints and exemptions.
- An extendable, scalable, and reliable solution that would enable the City of Markham to provide common parking transactional services via multiple channels.

The scope of this initiative also includes:

- Installation, configuration, customization and implementation of the new e-ticketing and payment system platform solution, based on industry best practices;
- Implementation of infrastructure components that provide: inter-application communication (integration); high availability / fail-over capabilities; security, auditing and notification services; and, disaster recovery;
- Data conversion, data migration and/or data archival as agreed to with the business and in accordance with defined data retention policies;

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- Completion of an IT Security audit, including production of any required documentation;
  - Work with City Staff to understand existing business processes and identify process changes required to support project objectives;
  - Recommend other necessary hardware/peripheral requirements to support a complete end-to-end;
  - Training and knowledge transfer services;
  - Warranty, maintenance and on-going support services

The plan includes ensuring the City's transition from the ParkSmart system to the new solution is with as little impact to internal and external users as possible. As such, a dedicated ITS project manager resource was previously approved in 2020, and staff are requesting approval of a temporary dedicated Business Support project resource to support the implementation of this project.

The end goal of this project is to have a user-friendly solution that is flexible, mobile enabled and integrated for both staff and customers, and meets all of the City's needs for managing parking enforcement e-ticketing and payment coordinated through the City's Parking Division within the Legislative Services Team. It will be scalable, reliable, responsive, and will allow the City to serve all customers effectively and efficiently now and into the future.

In addition to helping the City to improve the current service levels and delivery, the new parking enforcement e-ticketing and payment solution will facilitate the ability to meet the following goals:

- Enable participation in City programs and engagement – with the use of current mobile logic for quick user uptake, ease of use and accessibility to all users;
- Ensure all customer records and interactions are safeguarded using industry best practices and established standards;
- Create service delivery and staff performance efficiencies.

#### **BID INFORMATION:**

Bid closing date	September, 10 2020
Number picking up documents	4*
Number responding to bid	2

\*Procurement contacted the suppliers who downloaded the document and did not submit a bid. One supplier could not meet the schedule and the other indicated they would not be competitive with this software solution.

#### **PROPOSAL EVALUATION**

The bid evaluation team was comprised of staff from the ITS Department, and the Legislative Services and Corporate Communications Department (Parking), with staff from Procurement acting as the facilitator. Staff evaluated two (2) proposal submissions.

The Stage 1 technical proposals were evaluated against the pre-established evaluation criteria

as outlined in the RFP: 5 points for Experience and Qualification of the Bidder and Project Team; 20 points for Project Understanding, Methodology and Delivery Management; 35 points for Technical Requirements; and 30 points for Price, totaling 100 points. As part of the evaluation process, the top ranked proposal was invited for demo/interview sessions.

<b>Bidder</b>	<b>Total Score Technical and Financial (out of 100)</b>	<b>Score for Demo (Out of 10)</b>	<b>Final Score (Out of 110)</b>
Groupe Techna Inc.	96.55	10	106.55

Groupe Techna Inc. was the highest ranked, lowest priced bidder. Scoring highest on its technical submission, Groupe Techna Inc. also demonstrated a thorough understanding of the project and its requirements via the demo / interview session. The City is receiving a complete solution including installation and support to ensure a successful deployment and positive transition to the new solution. Groupe Techna Inc. proposed solution includes: full implementation and training services, full support model of the entire solution for 10 years; local and dedicated sales and support teams; intimate customer support experience to ensure the City of Markham transitions to the new communication systems smoothly.

After evaluation was completed, Procurement staff negotiated with Group Techna Inc., the highest ranked/lowest priced bidder.

Through further negotiations, staff achieved 18% (\$131,901 inclusive of tax) cost reduction as allowed under the Purchasing By-Law, while still maintaining the same level of project deliverables.

The following is the negotiated savings:

	One time - hardware, implementation and training costs and Recurring - software licenses, ongoing support and maintenance \$	Software licenses, ongoing support and maintenance Years 2 – 5 \$	Software licenses, ongoing support and maintenance Years 6 – 10 \$	Total \$
Post Evaluation (Negotiated (SaaS) Revised Negotiated Fee(SaaS)	228,354	259,543	240,074	727,971
<b>Award savings</b>	<b>17,358</b>	<b>60,541</b>	<b>54,002</b>	<b>131,901</b>
% Reduction	8%	23%	22%	18%

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## OPTIONS / DISCUSSIONS

Group Techna's software and professional services offering leads the industry in a number of ways:

- dedicated e-ticketing and payment system platform implementations, with complexity of e-ticketing and payment system platform projects managed and deployed,
- jurisdiction size, and years of e-ticketing and payment system platform experience,
- features and functions that support optimum flexibility and ease-of-use by department and citizenry alike,
- solution owned, build and installed by Group Techna,
- flexible licensing and deployment
- 24x7 manned end user help desk support, built-in backups and disaster recovery as standard,

Groupe Techna's solution is highly scalable and includes but is not limited to:

- Mobility features for mobile workers that will enable staff to communicate as effectively from the road as they would from their desks with the use of smartphones, eliminating carrying and servicing the heavy AutoCite ticketing hardware which is currently used.
- Improving the overall parking flow and communication between citizens and city staff. The proposed web portal ticket payment solution will showcase parking offenses to the residents therefore reducing screenings and quicker payments for parking offenses.
- Conduct online screening and hearing by providing a plug in to communication tools like Zoom, Microsoft Teams, & Google Meet.

Since March 2020, due to COVID-19, Parking Administration staff have been challenged with converting their screenings and hearings from in-person to online. The current system creates many delays in the process. These delays involve rescheduling of both screening and hearings which could not take place face-to-face, delaying payments and resulting in multiple changes to the workflow to ensure the resident did not incur additional costs due to the rescheduling(s).

In addition, the hardware and software components are failing. Of the City's current 8-handheld devices, at least half are functional on any given day. The current handheld issues will be resolved with the use of Android smartphones that will be introduced as part of the new solution.

Based on these factors, staff recommends that Groupe Techna Inc. be awarded the contract 102-R-20 Consulting Services, Supply, Implementation, and Ongoing Support of a Parking Enforcement E-Ticketing and Payment Solution

## FINANCIAL CONSIDERATIONS:

The cost of award includes 2 components:

- one-time costs for acquisition of hardware, software, licenses, training, implementation, project resources, and first year of support and maintenance
- recurring operating costs for licenses, software and ongoing support and maintenance for 5 years, with an option to renew the contract for additional 4 years

### Capital Costs

The one-time cost for the acquisition, implementation and first year support is \$210,996.28, inclusive of HST impact. A Business Support project resource is required for 10 months, at a cost of \$104,032.82, to provide valuable input on business process and requirements throughout implementation. These costs will be funded from Capital Project 20053, E-Ticketing and Payment System Platform Replacement, GL account 49-6150-20053-005, and Capital Project 18316, Core IT Infrastructure ParkSmart AutoCite X3 Printer, GL account 49-6150-18316-005, with a combined available budget of \$623,745.00.

<b>Project</b>	<b>Amount</b>	
20053 - E-Ticketing and Payment System Platform Replacement	\$ 574,900.00	(A)
18316 - Core IT Infrastructure ParkSmart AutoCite X3 Printer	<u>48,845.00</u>	(B)
Budget Available	623,745.00	(C)=(A)+(B)
One-Time Acquisition, Implementation and First Year Support Cost	210,996.28	(D)
Contingency (10%)	21,099.63	(E)*
Business Support project resource	<u>104,032.82</u>	(F)
		(G)=(D)+(E)
Total Capital Costs	336,128.73	+(F)
<b>Surplus Budget to be Returned to Sources</b>	<b>287,616.27</b>	(H) = (C)-(G)

\*A 10% contingency in the amount of \$ 21,099.63 inclusive of HST impact will be established to cover any additional project costs be approved and that authorization be granted to approve expenditures of this contingency amount up to the specified limit in accordance with the Expenditure Control Policy.

### Operating Costs

The award includes software licenses, ongoing support and maintenance costs for 9 years, from 2022 to 2030, for a total amount of \$385,073.42 inclusive of HST impact, to be funded from GL account 400-400-5361, Computer Software Service Agreements, subject to Council approval of the annual operating budget from 2022 to 2030.

Year of Term	Year	Maintenance Costs	
		Annual	Total Over Term
Year 2 to 6	2022 - 2026	\$ 39,800.32	\$ 199,001.60 (I)
Year 7 to 10	2027 - 2030	46,517.96	<u>186,071.84</u> (J)
<b>Maintenance Costs over the Term</b>			<b>385,073.44</b> (K) = (I) + (J)

The year 2 (2022) annual maintenance cost is \$39,800.32. The current annual operating budget for ParkSmart software maintenance is \$15,526.54. The incremental impact of \$24,273.78 will be addressed as part of the 2022 operating budget.

2022 Budget Impact	
Current Annual Budget for Maintenance	\$ 15,526.54 (L)
2022 Maintenance Cost	<u>39,800.32</u> (M)
<b>2022 Operating Budget Shortfall</b>	<b>(24,273.78)</b> (N) = (L) - (M)

#### **HUMAN RESOURCES CONSIDERATIONS:**

Not Applicable

#### **ALIGNMENT WITH STRATEGIC PRIORITIES:**

Not Applicable

#### **BUSINESS UNITS CONSULTED AND AFFECTED:**

Clerks and Bylaws,

#### **RECOMMENDED BY:**

Rob Cole  
Acting Chief Information Officer, ITS

Trinela Cane  
Commissioner, Corporate Services

#### **ATTACHMENTS:**

None