

# HALIFAX

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**Item No. 14.1.1**  
**Halifax Regional Council**  
**August 1, 2017**

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:** Original Signed by   
Jacques Dubé, Chief Administrative Officer

**DATE:** June 27, 2017

**SUBJECT:** Award - RFP #P15-371, Halifax Transit Technology Program –  
Fixed Route Planning, Scheduling and Operations

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## **ORIGIN**

This report originates from the approved 2017/18 Capital Budget.

## **LEGISLATIVE AUTHORITY**

Under the HRM Charter, Section 79(1)(o) Halifax Regional Council may expend money required by the Municipality for public transportation services.

Under the HRM Charter, Section 111(5) the Municipality may enter into a . . . commitment (with respect to the possession, use or control of physical or intellectual property) to pay money over a period extending beyond the end of the current fiscal year if, where the total of the commitment exceed five hundred thousand dollars, the proposed commitment has been approved by the Minister.

The recommended contract award complies with all of the pre-requisites for awarding contracts as set out in section 34(1) of Administrative Order 2016-005-ADM, the *Procurement Administrative Order*.

Section 36(1) of the *Procurement Administrative Order* provides that Halifax Regional Council may approve contract awards of any amount.

Under the HRM Charter, Section 35(2)(d)(i), the CAO may enter into contracts on behalf of the Municipality, for anything required by the Municipality where the amount is budgeted or within the amount determined by Council. Section 37(1)&(2) of the *Procurement Administrative Order* authorizes the CAO to execute a contract where the award is authorized in accordance with Section 36 and is stamped "Approved as to Form and Authority" by Legal Services.

Recommendation on next page

## **RECOMMENDATION**

It is recommended that Halifax Regional Council:

- a) Subject to the approval of the Minister of Municipal Affairs, award RFP #P15-371, Halifax Transit Technology Program – Fixed Route Planning, Scheduling and Operations to the highest scoring proponent, Trapeze Software ULC, for a Total Price of
  - a. \$2,216,909 (net HST included) with funding from the New Transit Technology Account CM020005, as outlined in the Financial Implications section of this report, and
  - b. \$2,969,945 (net HST included) for support and maintenance over the anticipated ten-year life of the Fixed Route Planning, Scheduling and Operations solution. The funding for support and maintenance will be included in the proposed Operating Budget for each applicable fiscal year, starting in fiscal 2019-20; and
- b) Direct the CAO to execute a contract with Trapeze Software ULC with terms that are satisfactory to the CAO, subject the contract being stamped “Approved as to Form and Authority” by Legal Services.

## **BACKGROUND**

In December 2012, Halifax Transit completed a Technology Roadmap identifying all technology-enabled business initiatives required to support Halifax Transit’s key business objectives. The Halifax Transit Technology Program (HTTP) was established in February 2014, and the first project, AVL+ (Automatic Vehicle Location) was initiated in April 2014. The Fixed Route Planning, Scheduling and Operations project will address current state challenges and business needs, including:

- Current system does not support industry best practices;
- System inflexibility for change in business rules;
- Inefficient scheduling processes, complicated workflows;
- Time consuming, resource-intensive Operator pick process;
- Minimal process metrics, limited reporting capabilities; and
- Lack of shared data between systems.

The Fixed Route Planning, Scheduling and Operations project will build upon and integrate with the AVL+ technologies and business processes.

This procurement is for the full suite of functionality for Fixed Route Planning, Scheduling and Operations (including for Ferry, where applicable) which includes:

1. Planning and scheduling activities
  - a. Route definition;
  - b. Trip building;
  - c. Blocking;
  - d. Runcutting;
  - e. Rostering;
  - f. Bid configuration and bidding processes;
  - g. Daily assignments;
  - h. Creation of unscheduled work.

2. Operator self-serve
  - a. Online bids;
  - b. Online absence requests and vacation requests;
  - c. Electronic notification of daily assignments;
  - d. Kiosks for self-service sign-in;
3. Apply organizational pay rules for payroll
4. Track and manage employee performance
  - a. Training;
  - b. Certifications;
  - c. Accidents, work incidents, employee compliments/incidents;
5. Maintain up-to-date inventories of bus stops and their attributes
6. Manage vehicle inventory, parking grid definitions and vehicle assignments

## **DISCUSSION**

A Request for Proposal (RFP) 15-371 was publicly advertised on the Province of Nova Scotia's Procurement website on November 27, 2015 and closed on February 2, 2016. Proposals were received from the following companies:

- GIRO Inc.
- Trapeze Software ULC

A team consisting of staff from Halifax Transit and Finance, Information, Communications and Technology, facilitated by procurement, evaluated the proposals based on the criteria listed in Appendix A – Evaluation Criteria. The RFP was scored using a two-envelope process. Envelope one (1) was the technical component of the RFP (Vision, Viability, Delivery, Solution Description, Solution Requirements, Services, Environmental Sustainability). Envelope two (2) was the financial component of the RFP.

The final scores of the two (2) proponents are as follows:

<b><u>Proponent</u></b>	<b><u>Score (Max 100)</u></b>
GIRO Inc.	75.02
Trapeze Software ULC	77.82

Trapeze (Trapeze Software ULC) received the highest score of the two (2) proponents based on the criteria in Appendix A.

Per the conditions of the RFP, with assistance from Legal Services, staff entered negotiations with Trapeze Software ULC facilitated by Procurement to achieve a mutually agreeable contract for the goods and services. These negotiations are substantially complete. The annual maintenance pricing will be included in the annual operating budget beginning in 2019/20 for 10 years. The total maintenance cost for 10 years is \$2,847,884, plus net HST of \$122,061, for a total 10 year cost of \$2,969,945.

### **FINANCIAL IMPLICATIONS**

The highest scoring proponent's cost for the core solution and future functionality is \$2,125,797, plus net HST of \$91,112, for a total of \$2,216,909. Funding is available in the approved Capital Budget from Project No. CM020005 New Transit Technology. The budget availability has been confirmed by Finance.

Budget Summary:	<u>Project Account No. CM020005</u>	
	Cumulative Unspent Budget	\$25,888,614
	<b>Less: Tender No. P15-371</b>	<b><u>\$ 2,216,909 *</u></b>
	Balance	\$23,671,705

\* The cost of this project was originally estimated at \$1,777,902.

The balance of funds will come from cost underruns realized in the Halifax Transit Technology Program to date.

### **RISK CONSIDERATION**

There are no significant risks associated with the recommendations in this Report. The risks considered rate: **Low**.

To reach this conclusion, consideration was given to operational and financial risks.

Operationally:

- Planning and scheduling software components will be implemented separate from the current HASTUS system, and Halifax Transit will not be cut over to the new system until testing deems it to be low risk.
- Operator self-serve, employee performance, bus stop inventory and vehicle parking/assignment software components will enable functions that are currently manual, which is low risk due to being net new automated functionality.

Financially, risk has been mitigated in the first phase of Fare Management through:

- The detailed requirements in the RFP, which minimize the opportunity for high cost Change Orders;
- Stringent contract negotiations.

### **ENVIRONMENTAL IMPLICATIONS**

No environmental risks identified.

### **ALTERNATIVES**

Council could choose not to award this RFP. The current Halifax Transit Fixed Route Planning, Scheduling and Operations system does not support new functionality or meet the requirements of Transit. If council chooses not to award this RFP, we are choosing to postpone delivery of new functionality, and associated benefits, including:

- More efficient and effective business processes;
- More cost-effective system management;
- Increased flexibility and reduced cost of business rule changes;
- Business processes that reflect modern best practices;

- More informed decision making;
- Improved employee productivity and proficiency;
- Increased transparency of operational decision making;
- Inclusion of other scheduling units (i.e., Ferry);
- Enhanced Employee Performance Management functions; and
- Introduction of streamlined Employee Self-Serve functions.

## **ATTACHMENTS**

### Attachment A – HTTP – Fixed Route Planning, Scheduling and Operations Evaluation Criteria

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A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

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## Attachment A – HTTP – Fixed Route Planning, Scheduling and Operations Evaluation Criteria

<b>Request For Proposals # 15-371</b>				
<b>Halifax Transit Technology Program – Fixed Route Planning, Scheduling and Operations</b>				
<b>Appendix A Evaluation Criteria</b>				
<b>Criteria</b>	<b>Summary (considerations may include but are not limited to the following)</b>	<b>Score</b>	<b>GIRO</b>	<b>Trapeze</b>
1. Vision	1.1. Corporate Overview 1.2. Market Commitment 1.3. Solution Roadmap 1.4. Research & Development	2	1.53	1.66
2. Viability	2.1. Market Presence 2.2. Financial Viability 2.3. Contracting Arrangements 2.4. Corporate Capacity 2.5. Business Disruption Planning	2	1.67	1.73
3. Delivery	3.1. Proven Capability 3.2. References 3.3. Project Team Structure 3.4. Project Team Experience 3.5. Project Management Approach 3.6. Schedule & Milestones 3.7. Halifax Level of Effort 3.8. Business Process and Best Practices 3.9. Risk Management 3.10. Quality Assurance 3.11. Change Request 3.12. Knowledge Transfer 3.13. Training & Documentation 3.14. Deliverables 3.15. Added Value	20	15.20	16.64
4. Solution Description	4.1. Solution Architecture 4.2. Self-Serve 4.3. Application 4.4. Service Providers 4.5. Data 4.6. Production Information & Communication Technology 4.7. Environments	25	17.48	20.13
5. Solution Requirements	5.1. Solution Requirements matrices	25	15.58	18.89
6. Services	6.1. Support Model 6.2. Software Support & Maintenance 6.3. Hardware Support & Maintenance 6.4. Guaranties and Warranties 6.5. Professional Services	5	2.79	3.86
7. Environmental	7.1. Environmental Sustainability	1	.78	.76

**Attachment A – HTTP – Fixed Route Planning, Scheduling and Operations Evaluation Criteria**

Sustainability				
<b>Subtotal (Technical Proposal)</b>		<b>80</b>	55.02	63.68
Cost	Score	20	20	14.15
	w/o Net HST (seven year lifecycle cost)		\$2,871,032	\$3,711,399
Total		<b>100</b>	75.02	77.82