



**CITY OF HAMILTON**  
**PUBLIC WORKS DEPARTMENT**  
Transit Division

<b>TO:</b>	Chair and Members Public Works Committee
<b>COMMITTEE DATE:</b>	July 10, 2019
<b>SUBJECT/REPORT NO:</b>	Transit Shelter Standardization (PW19064) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Tanya Detmar (905) 546-2424 Ext. 1855
<b>SUBMITTED BY:</b>	Debbie Dalle Vedove Director, Transit Public Works Department
<b>SIGNATURE:</b>	

### **RECOMMENDATIONS**

- (a) That the standardization of transit shelters and associated hardware equipment manufactured by Daytech Limited, pursuant to Procurement Policy #14 – Standardization be approved until June 30, 2029;
- (b) That the General Manager, Public Works Department be authorized to negotiate, enter into and execute any required Contract and any ancillary documents required to give effect thereto with Daytech Limited, in a form satisfactory to the City Solicitor.

### **EXECUTIVE SUMMARY**

The purpose of this report is to obtain Council approval to standardize the purchase of transit shelters, replacement glass panels and associated hardware equipment for existing and new shelter locations, replacements and parts maintenance for a period of ten years.

As a result of the 2016 Federal Public Transit Infrastructure Fund (PTIF) announcement, Hamilton submitted an application to the Government of Canada that contained 14 projects to be considered for funding under PTIF. Included in the list was a project for bus stop improvements including the replacement of 500 transit shelters across the City. On March 31, 2017, the City received project approval for the shelter replacement project.

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OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

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## **SUBJECT: Transit Shelter Standardization (PW19064) (City Wide) - Page 2 of 4**

In compliance with the City's Procurement Policy a Request for Proposal (RFP) was issued to market for the supply, delivery and installation of 500 transit shelters. The City received four proposals, two of which passed the technical evaluation and had their costing proposal evaluated. Daytech Limited was the highest scoring proponent and therefore was awarded the Contract. The total contract price was \$3,663,097 of which 50% will be recovered under the PTIF program.

At the time of this report, almost 200 transit shelters have been replaced and the program is on track to complete 500 replacements by year end. The new shelter design is modern and refreshing and has been well received by transit customers. As transit shelters have an average life expectancy of 10-14 years, a standardization period of 10 years will ensure consistency in the design for expansion shelters and for maintenance and parts purposes.

The open and transparent RFP process affirms the City has acquired goods for a competitive rate. Daytech Limited has proven to be a superior supplier of low cost, high quality shelters. Their close proximity to Hamilton and excellent customer service will ensure a state of good repair of one of Transit's most valuable assets.

### **Alternatives for Consideration – See Page 4**

### **FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: Funding for new transit shelters is approved through the Capital Budget. Transit staff typically request \$150,000 annually which allows for the installation of approximately 10 transit shelters at new locations across the City. On-going shelter maintenance, including glass replacement, is approved through the Operating Budget which is estimated at \$150,000 per year and will include items such as glass panel replacement, solar panel replacements, solar battery replacement and structural components.

It is expected the costs for a 10-year standardization period for the purchase of transit shelters, replacement glass panels and associated hardware equipment for existing and new shelter locations, replacements and parts maintenance is \$3,000,000.00. The average life expectancy of a shelter is 10-14 years hence the recommendation for a standardization period of 10 years.

Staffing: No additional staffing required.

Legal: There are no legal implications.

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## **HISTORICAL BACKGROUND**

In 2016, the Federal Government announced the Public Transit Infrastructure Fund (PTIF) that will provide more than \$2.97 billion in combined funding for projects that will make public transit more efficient and inclusive for people in Ontario.

On October 12, 2016 Council approved Report FCS16083 which authorized transit staff to submit an application that contained 14 projects to be considered for Federal funding under PTIF. Included in the list was a project for bus stop improvements including the replacement of 500 transit shelters across the City.

On March 31, 2017 the City was approved to receive a federal contribution of up to \$36,489,204 towards the 14 projects listed in the application, including the Shelter Replacement Project.

In compliance with the City's Procurement Policy, an RFP was issued to the market for the supply, delivery and installation of transit shelters. The RFP was structured in a two-step process that required proponents to submit a technical proposal (Step 1) and a cost proposal (Step 2) in separate envelopes. The technical proposal was evaluated in Step 1 and needed to receive an overall Benchmark score of 80% in order to proceed to Step 2. As a result of the technical evaluation, two proponents moved to Step 2, one proponent did not meet the benchmark and one proponent was disqualified.

Subsequent to the technical evaluation, Procurement staff reviewed the two Cost Proposals and the contract was awarded to the proponent with the highest Total Evaluation Score, Daytech Limited.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

By-law 17-064 Procurement Policy, Section 4.14, Policy #14 – Standardization requires Council approval for any standardization of a good where the standard results in a single source purchase of \$10,000 or greater.

## **RELEVANT CONSULTATION**

Corporate Services Department: Procurement, Finance & Administration has been consulted with respect to adherence to the City's Procurement Policy and have provided comment on this report. The Procurement Section supports the issuance of an open and competitive process to secure a vendor for these services in order to fully comply with applicable trade agreements, specifically the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) and the Canada Free Trade Agreement (CFTA).

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## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

In 2018, Transit issued an RFP for the replacement of 500 transit shelters across the City to which Daytech Limited was the successful bidder. At the time of this report almost 200 transit shelters have been replaced and the program is on track to complete 500 replacements by year end. The new shelter design is modern and refreshing and has been well received by transit customers.

Daytech Limited is a North American leader in manufacturing pre-fabricated transit shelters, serving Southern Ontario since the early 1980's. Their head office is located in Toronto and operates a state of the art manufacturing facility which uses computerized machinery to improve consistency and decrease costs. Transit staff has been working with Daytech since late 2018 and are impressed with the high quality of their products and excellent customer service.

Daytech has proven to be a superior supplier of low cost, high quality shelters. Their close proximity to Hamilton and excellent customer service will ensure Transit will be able to maintain a state of good repair of one of its most valuable assets.

## **ALTERNATIVES FOR CONSIDERATION**

Council could direct staff to follow standard purchasing protocol and issue annual RFPs for transit shelters. This may create a collection of miscellaneous shelter designs throughout the City and create maintenance confusion due to differing parts and components.

## **ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

### **Built Environment and Infrastructure**

Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

### **Our People and Performance**

Hamiltonians have a high level of trust and confidence in their City government.

## **APPENDICES AND SCHEDULES ATTACHED**

N/A

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