
Corporate Telematics Solution – Award of RFP

Recommendation

That the Standing Policy Committee on Finance recommend to City Council:

1. That the proposal submitted by Vecima Networks for a Corporate Telematics Solution at a total initial estimated cost of \$286,020, plus applicable taxes, be approved; and
2. That His Worship the Mayor and the City Clerk be authorized to execute the contract documents as prepared by the City Solicitor under the Corporate Seal.

Topic and Purpose

The purpose of this report is to receive City Council approval to proceed with a contract with Vecima Networks for a Corporate Telematics Solution (GPS).

Report Highlights

1. An RFP was issued for procurement of a Corporate Telematics Solution for the City of Saskatoon's (City) fleet.
2. The Administration is recommending that Vecima Networks, the Preferred Proponent, be awarded the contract to provide this service.

Strategic Goals

This report supports the long-term strategy of ensuring that the City is leveraging technology and emerging trends to reach its goals, serve citizens and connect meaningfully with stakeholders under the Strategic Goal of Continuous Improvement. This report also supports the four-year priority of implementing energy-efficient practices under the Strategic Goal of Environmental Leadership, and opportunities to reduce spending on fuel supports the Strategic Goal of Asset and Financial Management.

Background

At its meeting on October 30, 2017, City Council received a report from the CFO/General Manager, Asset and Financial Management Department, regarding the values, benefits and feasibility of a corporate telematics solution.

The primary objectives of installing GPS in civic fleet are employee safety, route optimization, asset utilization, and customer service.

Report

RFP for Corporate Telematics Solution

On May 1, 2018, an RFP for a Corporate Telematics Solution was advertised on the SaskTenders website with a closing date of May 29, 2018. The Administration received six responses to the RFP from the following proponents:

1. Mobilzz Inc.(Toronto, ON)
2. GoFleet (Mississauga, ON)

3. Cypress Solutions (Burnaby, BC)
4. Focus/SaskTel (Sherbrooke, QU/Saskatoon, SK)
5. Vecima/Nero (Saskatoon, SK)
6. SkyHawk/Telus (Saint John's, NL/Saskatoon, SK)

The Evaluation Committee, comprised of five staff from the Information Technology, Environmental & Corporate Initiatives, Transportation & Utilities, and Saskatoon Light & Power Divisions evaluated the proposals received based on the following criteria, and as detailed in the RFP:

Criteria	Points
Data	5
Sustainability/Future Proof	10
Proposed Approach and Project Plan	15
Proposed Customer Support	10
Demonstrated Expertise	5
Software	15
Hardware	10
Open Architecture	10
Innovative/Added Value	5
Financial Impact	15
TOTAL	100

Preferred Proponent

Upon the evaluation of all proposals submitted, the Evaluation Committee determined that the proposal submitted by Vecima Networks achieved the highest score and meets the RFP requirements. The Administration is recommending that the City enter into a contract with Vecima Networks for the project management, supply, install and support of GPS and telematics hardware and operating software.

The initial estimated cost will be \$286,020, plus applicable taxes, with additional feature development, data and software enhancements to be an added cost. Ongoing annual fees and charges for 880 units plus 100 trailers are estimated at \$264,212.

Options to the Recommendation

City Council can choose not to proceed with the award of a Corporate Telematics Solution. The Administration does not recommend this option as this technology is vitally important for employee safety, as well as meeting strategic financial, operational and environmental goals.

This work cannot be performed in-house as the City does not have a current supplier of GPS devices. Also, with no prior history of an existing solution of this scope and nature, the Administration does not have the preceding knowledge base to ensure successful project implementation.

Public and/or Stakeholder Involvement

Fleet Services has consulted with key operational and support stakeholders across the corporation to develop a comprehensive needs analysis incorporated into this telematics solution. The Information Technology and Environmental & Corporate Initiatives Divisions were also consulted to ensure that all corporate standards were met and the successful system will integrate well with the City's existing systems.

The Administration has also met with the associated unions to discuss all benefits and uses of installing GPS in civic vehicles.

Collaborative communication efforts will involve all affected civic operations, unions and the Human Resources Division through full implementation of this corporate initiative.

Communication Plan

A detailed communication plan is being developed to ensure all benefits and uses of GPS are clearly explained to applicable user groups. A variety of communication tools will be used to convey the main goals and reasons for proceeding with the GPS initiative.

Financial Implications

The cost of the contract is within the approved 2018 Capital Budget, Project No. 1948 - Fleet Global Positioning Systems. Based on pilot project results, an average annual operating cost of \$242,000 is anticipated, depending on operational requirements of each division.

While annual savings are yet to be determined, based on pilot project estimates, the Administration is confident that the operating costs will be offset by sufficient savings in fuel, achieved through route optimization and reduced vehicle idling.

Privacy and Policy Implications

A Privacy Impact Assessment will be undertaken prior to implementation of GPS into civic vehicles in accordance with Administrative Policy No. A02-042, Privacy and Confidentiality, to help identify and mitigate any potential impact to employee's privacy.

A review of Administrative Policy No. A07-020 – Civic Vehicles – Operating Protocol, will be conducted to ensure policy is adhered to.

Environmental Implications

This GPS initiative has the potential to decrease greenhouse gas emissions (GHG) through reduced idle time, overall fuel consumption and vehicle emissions, as well as route optimization. GPS program information regarding GHG emissions will be included in the annual Saskatoon Strides Report, and will be used to identify continuous improvement targets.

Due Date for Follow-up and/or Project Completion

The award of RFP will be completed once approval is obtained.

The Administration will report further regarding the results of the GPS initiative through the annual Saskatoon Strides Report. An update will also be provided through the 2020 Business Plan and Budget process regarding the success of this initiative and any additional future savings once the project has been fully implemented.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Report Approval

Written by: Jason Kennon, Fleet Services Manager
Reviewed by: Troy LaFreniere, Director of Facilities & Fleet Management
Jonathan Moore-Wright, Information Technology
Chris Richards, Environmental & Corporate Initiatives
Mike Voth, Acting General Manager, Asset & Financial
Management Department
Approved by: Jeff Jorgenson, City Manager

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