



The Corporation of the Town of Milton

Report To: Council
From: Glen Cowan, Chief Financial Officer / Treasurer
Date: January 27, 2025
Report No: ES-001-25
Subject: Purchasing Various - January 2025
Recommendation: THAT Council approve the budget amendments and related funding sources, as outlined on Schedule A;

THAT the award for the purchase of six (6) 12-metre conventional transit buses to New Flyer Industries in the estimated amount of \$5,524,122 (exclusive of HST) be approved, as outlined in Schedule B;

THAT the proposal award for Computer Incident Response Plan to Magnari Inc. in the amount of \$49,840 (exclusive of HST) be approved, as outlined in Schedule C;

THAT the provisional item of annual incident response services to Magnari Inc. in the amount of \$60,000 (exclusive of HST) be approved, as outlined in Schedule C;

THAT the proposal award for Citizen Identity Management Solution to Alphinat Inc. in the total amount of \$321,000 (exclusive of HST) be approved, as outlined in Schedule D;

THAT the contract increase for Contract Administration & Inspection of Mill Pond Rehabilitation Project to Aquafor Beech Limited in the total amount of \$58,150 (exclusive of HST) be approved, as outlined in Schedule E;

THAT staff be delegated authority for up to a 10% contingency award(s) for any remaining consulting services costs associated with the Mill Pond Rehabilitation Project that are required to project completion;

THAT the contract increase for the Detailed Road Design of the Thompson Road Multi Use Path (Clark Boulevard to Gas Trail) to WSP Canada in the total amount of \$31,413 (exclusive of HST) be received for information, as outlined in Schedule F;



Report To: Council

THAT staff be delegated authority for up to a 10% contingency award(s) for any remaining consulting services costs associated with the Thompson Road Multi Use Path that are required to project completion;

THAT the award made under delegated authority for the Contract Increase for Heritage Railway Station Exterior Repairs to Heritage Restoration Inc. in the amount of \$18,000 (exclusive of HST) be received for information, as outlined in Schedule G.

THAT the Manager, Purchasing and Supply Chain Management be authorized to execute the contract(s), as outlined by the purchasing by-law, and the Mayor and the Town Clerk be authorized to sign any required paperwork.

EXECUTIVE SUMMARY

This report is being submitted to obtain Council's authorization on the items in the attached schedules. Requests are being made as per the guidelines outlined in the Purchasing By-law No. 061-2018.

REPORT

Background

Procurement of goods and services is governed by By-law No. 061-2018. Purchasing activity is undertaken in a manner that is intended to support the Town's mandate to provide effective, responsible government and efficiently deliver services to the residents of Milton.

Discussion

Information pertaining to the recommended purchasing awards is included on the corresponding Schedules (A to G) attached.

Leveraging the Town's continued participation in the Metrolinx Transit Procurement Initiative (TPI), within this report is a recommendation to purchase six (6) 12-metre conventional transit buses in the total estimated amount of \$5,524,122 (exclusive of HST). The current production and delivery timelines spans 12 to 18 months, therefore service of these new buses will start in September 2026.



Discussion

As a result of competitive request for proposal processes, included within this report are recommendations to award a Computer Incident Response Plan to Magnari Inc. in the total amount of \$109,840 (excluding HST) and to award a Citizen Identity Management Solution to Alphinat Inc. in the total amount of \$321,000 (exclusive of HST).

Also included is a request for a contract increase for contract administration & inspection services for the Mill Pond Rehabilitation Project, in the amount of \$58,150 (excluding HST). Delays in construction due to the challenging nature of working in a live watercourse has resulted in the project schedule increase of approximately 2 months. Also included is a contract increase for detailed road design of the Thompson Road Multi Use Path (Clark Boulevard to Gas Trail) in the total amount of \$31,413 (excluding HST).

Finally, staff are reporting back to council on the utilization of delegation of authority to award a contract increase for the Heritage Railway Station Exterior Repairs in the amount of \$18,000 (excluding HST).

Financial Impact

Financial impacts are outlined in detail on the attached Schedules A through G. As shown on Schedule A, a total increase of \$31,966 to the capital program is included, with funding from development charges for the Thompson Road project.

Through this report the Town is allocating \$6,375,958 in funding that has been approved through the Housing Accelerator Fund (HAF) to the acquisition of new transit vehicles that will support growth in service to the community. This utilization aligns with the HAF program guidelines as well as the Town's application, as transit is central to supporting the expansion of housing alternatives in the community, including both high density and affordable housing solutions.

It is also recommended within Schedule A that funding be re-allocated from existing capital projects (E-Services Strategy and Digital Transformation) to the Enterprise Licencing and Compliance project for ease of administration in the implementation of the single sign-on solution for Town residents.

Respectfully submitted,

Glen Cowan
Chief Financial Officer / Treasurer



The Corporation of the Town of Milton

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For questions, please contact: Sharon Telfer, Manager, Procurement Phone: Ext. 2138
Shirley Xie, Supervisor, Financial Reporting Phone: Ext. 2472

Attachments

- Schedule A – Reserve and Reserve Fund Transfers
- Schedule B – Contract award Transit Buses
- Schedule C – Proposal award Computer Incident Response Plan
- Schedule D – Proposal award Citizen Identity Management Solution
- Schedule E – Contract Increase Mill Pond Rehabilitation Project
- Schedule F – Contract Increase Thompson Road Multi Use Path
- Schedule G – Reporting back delegated authority Heritage Railway Station Exterior Repairs

Approved by CAO
Andrew M. Siltala
Chief Administrative Officer

Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.

Summary of Changes in Capital Project Budgets and Funding

Schedule	B	B	B	D	D	D	F	Total Change in Funding Sources Increase / (Decrease)
Project Number	C57010325	C57011325	C57010324	C24000921	C24001725	C24200324	C34002023	
Project Description	Conventional Transit-12 metre Bus-Growth	Non-Fixed Route Bus (6M) - Growth	Conventional Transit-12 metre Bus-Growth	E-Services Strategy Implementation	Digital Transformation	Enterprise Licencing and Compliance	Thompson Rd (Louis Saint Laurent to Derry Rd)	
Total Approved Project Budget	\$ 6,073,536	\$ 225,027	\$ 3,660,097	\$ 331,233	\$ 535,600	\$ 194,352	\$ 539,684	
Recommended Budget Change								
Project Variance Account	(1,663,441)	(55,776)	(73,585)	(42,179)	(78,989)	121,168		(1,792,802)
Development Charges:								
Roads DC							31,966	31,966
Transit DC	(2,966,598)	(152,276)	(131,235)					(3,250,109)
Post Period DC	(1,266,598)	(10,421)	(56,028)					(1,333,047)
External Funding Sources:								
Federal Grants/ Subsidies	5,896,637	218,473	260,848					6,375,958
Total Increase/(Decrease) in Funding	-	-	-	(42,179)	(78,989)	121,168	31,966	\$ 31,966
Total Revised Project Budget	\$ 6,073,536	\$ 225,027	\$ 3,660,097	\$ 289,054	\$ 456,611	\$ 315,520	\$ 571,650	

COUNCIL AUTHORITY FOR CONTRACT AWARDS

Project Award	Metrolinx Transit Procurement Initiative (TPI) for the purchase of 12-metre conventional transit buses.
Recommendation	Staff is recommending the 12-metre conventional transit bus contract be awarded to New Flyer Industries through the Metrolinx Transit Procurement Initiative (TPI), for the supply and delivery of six (6) 12-metre conventional transit buses in the total estimated amount of \$5,524,122 (exclusive of HST).
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>Council approved the continued participation in the Metrolinx Transit Procurement Initiative (TPI) with the execution of a Multi-Year Governance Agreement (CORS-076-19; CORS-003-24). The Town has benefitted from participating in the Metrolinx TPI by collaborating with other transit agencies to obtain favourable pricing and delivery of quality goods and services. Past procurements with Metrolinx TPI include:</p> <ul style="list-style-type: none"> • Transit buses of varying sizes • Intelligent Transportation Systems (ITS) • Onboard Vehicle Surveillance Systems (OBVSS) • Consulting services for Fleet Electrification Strategy <p>Metrolinx released a Request for Proposal (RFP) for the purchase of 12-metre conventional transit buses on September 27, 2023, closing on December 6, 2023. Upon completion of the evaluation and steering committee review and approval process, a three-year contract was awarded to New Flyer Industries in February 2024.</p> <p>The 2025 Capital Budget includes six (6) conventional transit bus purchases to facilitate fixed-route service growth in Boyne, Derry Green and Milton Education Village, with service starting in September 2026.</p> <p>Given current vehicle production and delivery timelines spanning 12-18 months, it remains beneficial to advance this procurement in order to facilitate fixed-route conventional services in a timely matter. Conventional buses will be diesel-powered and will have an estimated useful life of twelve (12) years, with a scheduled, mid-life refurbishment in year six (6).</p> <p>Through this contract, the Town is to procure:</p> <ul style="list-style-type: none"> • Six (6) 12 metre conventional transit buses from New Flyer Industries at a cost of \$920,687 per unit <p>All prices are exclusive of HST and associated vehicle equipment.</p>

Schedule B

In order to maximize grant funding available through the HAF program, staff recommend refinancing the capital project associated with these bus procurements as well as two additional growth transit bus capital projects as shown on Schedule A.

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C57010325-A0631-7110
Account Description	Conventional Transit-12 metre Bus-Growth
Project Total Budget	\$6,073,536
Contract Budget	\$5,715,843
Actual (Net of HST Rebate)	\$5,621,347
Variance (Note 2)	\$94,496 (F)
Funding Source	Federal Grants and Subsidies

Note 1: Financial impact includes any non-refundable portion of HST

Note 2: Staff is requesting that the favorable variance remain in the project to accommodate Metrolinx Contract Fee, contingency and bus specification changes during the preproduction process.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
PROPOSAL AWARD**

Project Award	Proposal Award No. 24 – 557 for a Computer Incident Response Plan
Recommendation	<p>Staff is recommending the base bid award for a Computer Incident Response Plan to Magnari Inc. in the amount of \$49,840 (exclusive of HST).</p> <p>Staff are also requesting the award of the provisional item of annual incident response services in the amount of \$60,000 (exclusive of HST).</p>
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required for proposal awards over \$100,000.
Background information	<p>The Town of Milton, similar to many Government and non-Government organizations across the globe, is being faced with an endless stream of malicious campaigns attempting to infiltrate Town systems and access sensitive data.</p> <p>As part of the Town of Milton's comprehensive cybersecurity program, an update is required to the organization's Computer Incident Response Plan (CIRP). The CIRP acts as the organization's structured response in reacting to and recovering from incidents (<i>including both security and non-security related</i>) which impact (<i>or threaten to impact</i>) the data, systems and technologies used to support day-to-day Town business. By performing an update to the Town's CIRP and accompanying reference appendices, the Town is continuing to put proactive measures in place to prepare for and protect the organization from future incidents.</p> <p>Request for proposal (RFP) 24-557 includes services to update the Town's CIRP, accompanying appendix documents as well as perform a tabletop exercise to validate the completeness and relevance of the developed material to current and ongoing Town operations. In addition to the one-time consulting engagement for development of the aforementioned deliverables, it is the Town's desire to award the successful proponent a 1-year contract for the provision of annual incident response services as outlined in the RFP, subject to successful contract negotiations. Following the completion of the 1-year contract, the Town will assess the alternatives available, potentially including the issuance of a subsequent RFP or alternatively a request to Council to extend the contract with the incumbent provider.</p>
Purchasing Section: Bid Award Information	
Date bid issued	November 13, 2024
Advertisements	Town of Milton website and Bids&Tenders Website
Closing Date	December 11, 2024

# of Plan takers	Fourteen (14)	
Proposal Submissions received	<p>Proposals were received from the following companies:</p> <ul style="list-style-type: none"> • Control Gap Inc. • ESI Information Technologies Inc. • Hitachi Systems Security Inc. • iON United Inc. • KPMG LLP • Magnari Inc. • MNP Digital Inc. • Network Test Labs Inc. • Pathway Communications • Perry Group Consulting Ltd. • Valencia IIP Advisors Ltd. 	
Evaluation Criteria	<p>The proposals were evaluated based on the following criteria:</p> <ul style="list-style-type: none"> • Company Profile / Experience (10 points) • Project Team / Skillset / References (10 points) • Project Methods, Onboarding Process, Work Program, Tasks, Deliverables and Timelines (50 points) • Value Add (5 points) • Proposal Costs (25 points) <p>An evaluation team with representation from Corporate Services evaluated the proposals against the established criteria and the following three (3) proponents were invited to an interview on January 8, 2025.</p> <ul style="list-style-type: none"> • Hitachi Systems Security Inc. • iON United Inc. • Magnari Inc. <p>Magnari Inc. is the highest ranking overall proponent and is being recommended for this award.</p>	
Financial Planning Section: Budget Impact (Note 1)		
Account Number(s)	C24200321-A0260-7290	C24200424-A0260-7290
Account Description	Enterprise Licencing and Compliance	Tech Infrastructure – Network Security
Project Total Budget	\$277,866	\$167,700
Contract Budget	\$50,880	\$61,056
Actual (Net of HST Rebate)	\$50,717	\$61,056
Variance	\$163 (F) (Note 2)	\$0
Funding Source	Project Variance Account	Project Variance Account

Note 1: Financial impact includes any non-refundable portion of HST

Note 2: The favourable variance will be retained in the project at this time, and be transferred instead at the time of project closure.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
PROPOSAL AWARD**

Project Award	Proposal Award No. 24 – 558 for a Citizen Identity Management Solution
Recommendation	Staff is recommending the award of the proposal for a Citizen Identity Management Solution to Alphinat Inc. in the total amount of \$321,000 (exclusive of HST). The total represents the cost for implementation and annual software costs for a three (3) year term.
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required for proposal awards over \$100,000.
Background information	<p>Through the Town's 2023 – 2027 Strategic Plan, the organization has committed to substantial investments in technology, process improvements and meaningful partnerships to improve customer service, under the Innovate in Technology and Process strategic theme. To that end, the 2025 capital budget allocates funding (C2400017) to advance organizational digitization efforts across a wide range of internal and externally facing services through the adoption of new tools, technologies and processes.</p> <p>Presently, when accessing certain services on the Town website, residents are required to set up a unique username/password combination for each service. This process is inefficient, insecure and risks degrading the overall customer experience when interacting with the Town. Competitive Request for Proposal 24 – 558 (Citizen Identity Management Solution) builds on the commitment of the organization to streamline processes and improve customer service through implementation of a single sign on solution that will allow residents to interact with a wide variety of current and future online services through a single username and password combination. This technology implementation represents a foundational step in ensuring a consistent, efficient and customer-focused approach to enhancing the way the Town delivers online services to its residents.</p>
Purchasing Section: Bid Award Information	
Date bid issued	November 21, 2024
Advertisements	Town of Milton website and Bids&Tenders Website
Closing Date	December 12, 2024
# of Plan takers	Eleven (11)
Proposal Submissions received	<p>Proposals were received from the following companies:</p> <ul style="list-style-type: none"> • Alphinat Inc. • BIO-Key International Inc. • ESI Information Technologies Inc. • HCM Identity Management ULC • Indigo Canada Technologies Inc.

	<ul style="list-style-type: none"> • N8 Identity Inc. • Open Text Corporation • Portage CyberTech Inc.
Evaluation Criteria	<p>The proposals were evaluated based on the following criteria:</p> <ul style="list-style-type: none"> • Company Profile / Experience (10 points) • Project Team / Skillset / References (5 points) • Project Methods, Onboarding Process, Work Program, Tasks, Deliverables and Timelines (50 points) • Value Add (5 points) • Proposal Costs (30 points) <p>An evaluation team with representation from Corporate Services evaluated the proposals against the established criteria and the following three (3) proponents were invited to an interview on January 8, 2025.</p> <ul style="list-style-type: none"> • Alphinat Inc. • BIO-Key International Inc. • N8 Identity Inc. <p>Alphinat Inc. is the highest ranking overall proponent and is being recommended for this award.</p>

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C24200324-A0260-7140	2216-3445
Account Description	Enterprise Licencing and Compliance	IT- Software Annual Maintenance
Project Total Budget	\$194,352	N/A
Contract Budget	\$62,000	\$61,056
Actual (Net of HST Rebate)	\$183,168	\$47,827
Variance (Note 2)	\$121,168 (U)	\$13,229 (F)
Funding Source	Re-allocation of funding from other capital projects (Note 2)	Operating

Note 1: Financial impact includes any non-refundable portion of HST

Note 2: For this award, the capital funding is for the implementation of the single sign on solution and the operating funding is for the first year annual software costs. Staff are recommending that the unfavorable variance be funded from existing capital projects as outlined in Schedule A of this report. Funds from capital project C24000921 (E-Services Strategy) are being reallocated as funds for custom programming and online enhancements are being reprioritized to this single sign on solution. Staff are also recommending that funds from capital project C24001725 (Digital Transformation) are transferred to aid in the ease of administration.

Note 3: This award will result in ongoing operating costs for three years. The annual operating costs will be \$47,827 (inclusive of HST) for 2026 and 2027.

**COUNCIL AUTHORITY FOR CONTRACT AWARDS
CONTRACT INCREASE**

Project Award	Contract Increase for Mill Pond Rehabilitation Project
Recommendation	<p>Staff is recommending approval to proceed with a contract increase to Aquafor Beech Limited for Contract Administration & Inspection in the total amount of \$58,150 (exclusive of HST).</p> <p>Staff are also recommending that delegated authority be provided to approve change orders (if required) up to an aggregate value of 10% of the revised value of the award to Aquafor Beech Limited.</p>
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>Through CORS-043-21, Council approved the award of RFP 21-585 for consulting services for the Mill Pond Rehabilitation Project to Aquafor Beech Limited in the total amount of \$127,805 (2021 costs, exclusive of HST). There was a zero cost increase scope change awarded through CORS-063-21 and change orders in the amount of \$185,026 (exclusive of HST) awarded through CORS-034-22 and ES-030-24. The current contract total is \$312,931 (exclusive of HST).</p> <p>This contract increase of \$58,150 (exclusive of HST) is required for additional contract administration and inspection based on the current scope of works. Delays in construction due to the challenging nature of working in a live watercourse has resulted in the project schedule increase of approximately 2 months.</p> <p>The rates used are consistent with previous rates charged under this contract, and are consistent with those in the initial request for proposal. Staff have reviewed and validated the work identified.</p> <p>The new contract total for the Mill Pond Rehabilitation Project will be \$371,081 (exclusive of HST).</p>
Financial Planning Section: Budget Impact (Note 1)	
Account Number(s)	C43000623-A0821-7210
Account Description	Mill Pond Rehabilitation Project
Project Total Budget	1,463,967
Contract Budget	\$ 0
Actual (Net of HST Rebate)	\$ 59,173
Variance (Note 2)	\$ 59,173 (U)
Funding Source	Reallocation of line items within the project

Note 1: Financial impact includes any non-refundable portion of HST.

Note 2: The unfavourable variance will be managed through the reallocation of other expenditure lines within the project.

COUNCIL AUTHORITY FOR CONTRACT AWARDS

Project Award	Contract Increase for Thompson Road Multi Use Path (Clark Boulevard to Gas Trail)
Recommendation	<p>Staff are recommending the contract increase to WSP Canada for the Detailed Road Design of the Thompson Road Multi Use Path (Clark Boulevard to Gas Trail) in the total amount of \$31,413 (exclusive of HST).</p> <p>Staff are also recommending that delegated authority be provided to approve change orders (if required) up to an aggregate value of 10% of the revised value of the award to the WSP Canada Limited.</p>
Purpose of Report	As per Section 10.1 of Purchasing By-law No. 061-2018, Council approval is required.
Background information	<p>Through internal staff report PDA-CRAN-23-051-24, staff awarded RFP 23-051-11 for the Design of Thompson Road to WSP Canada in the amount of \$68,855 (exclusive of HST). One change order has been issued to-date in the amount of \$5,573 (exclusive of HST). The current contract total is \$74,428 (exclusive of HST).</p> <p>This contract increase in the amount of \$31,413 (exclusive of HST) is for the following:</p> <ul style="list-style-type: none"> • Archeological assessment • Sue Level A – Additional Test Holes • Additional Project Management and Meetings <p>Staff have satisfied themselves that the rates used are consistent with previous rates charged under this contract and further, are consistent with those in the initial request for proposal.</p> <p>The new contract total will be \$105,841 (exclusive of HST).</p>

Financial Planning Section: Budget Impact (Note 1)

Account Number(s)	C34002023-A0611-7220
Account Description	Thompson Rd (Louis Saint Laurent to Derry Rd)
Project Total Budget	\$539,684
Contract Budget	\$0
Actual <small>(Net of HST Rebate)</small>	\$31,966
Variance	\$31,966(U)
Funding Source	Development Charges

Note 1: Financial impact includes any non-refundable portion of HST.

COUNCIL AUTHORITY FOR CONTRACT AWARDS DELEGATED AUTHORITY

Project Award	Reporting back to Council on the Delegated Authority to award the Contract Increase for Heritage Railway Station Exterior Repairs in the amount of \$18,000 (excluding HST) - File No. 24-01-00502
Purpose of Report	As per Section 7.2.2 of the Purchasing By-law, a report to Council for information is required when the delegated authority provided in that section is utilized.
Background information	<p>Through PDA-058-24, Staff approved the tender award for the Heritage Railway Station Exterior Repairs to Heritage Restoration Inc., in the amount of \$437,750 (excluding HST). Change orders in the amount of \$30,765 (excluding HST) have been issued to-date. The current contract is \$468,515 (excluding HST).</p> <p>During 2024 each of the building's original windows were removed for repair. Once removed, a more detailed condition analysis was able to be undertaken, which revealed a need for replacement of most window sashes in lieu of repair. The quoted value for the work was reviewed and validated as being of good value by Parks & Facilities staff.</p> <p>Through PDA-118-24, and with consideration for the timing of installation, staff utilized Purchasing By-law #061-2018, Section 7.2.2 to proceed with the contract increase to Heritage Restoration Inc. in the total amount of \$18,000 (excluding HST).</p>

Financial Planning Section: Budget Impact (includes non-refundable HST)

Account Number(s)	C58112723-A0260-7510
Account Description	Civic Facilities Improvements
Project Total Budget	\$1,113,140
Contract Budget	\$0
Actual <small>(Net of HST)</small>	\$18,317
Variance	\$18,317 (U)
Funding Source	Reallocation of line items within the project

Note: The unfavorable variance was managed through the reallocation of other expenditure lines within the project.