



Procurement Authorization - TTC Uniforms and Work Clothing

Date: July 12, 2023
To: TTC Board
From: Executive Director – People

Summary

The TTC relies on multiple contracts, systems and policies to procure and distribute uniforms and work clothing to approximately 9,500 front-line TTC staff. In an effort to streamline these contracts and systems; standardize policies, processes and procedures; leverage new technologies for ordering and explore various distribution models. In an effort to modernize and realize cost efficiencies, staff are conducting a review of the TTC's uniform and work clothing programs.

The TTC is using this opportunity to better define uniform requirements to ensure the supply of uniforms and work clothing will meet gender and religious-based needs and review work clothing entitlements. This will determine requirements to optimize work performance and best provide TTC customers with clear identification of TTC staff working in the transit system that do not wear uniforms.

The existing contracts expire on different dates and issuing renewal contracts to the existing 12 vendors with a common expiry date of December 31, 2025 will provide for the continued supply and delivery of uniforms and work clothing in compliance with collective agreement and work requirements. This timeframe provides staff the time to complete the review of TTC's current program, procure and transition to new contracts under a modernized model.

This report is seeking the TTC Board's approval to grant the TTC Chief Executive Officer with the authority to award 29 uniform and work clothing contracts to TTC's existing 12 vendors, on a single source basis, for a period ending December 31, 2025. This will enable the TTC to enter into agreements with the existing vendors for this extended period.

Recommendations

It is recommended that the TTC Board:

1. Authorize the TTC Chief Executive Officer to negotiate and approve the issuance of 29 contracts for the period ending December 31, 2025 on a single source basis to the following vendors, in the total upset limit amount of \$9,100,000 including applicable taxes as follows:
 - a. The Uniform Experts to supply uniforms for Transit Operators, Supervisors, Station Collectors and Customer Service Agents for a total upset limit of \$4,400,000, including taxes;
 - b. Mark's Work Warehouse to supply maintenance work clothing for a total upset limit of \$3,400,000, including taxes; and,
 - c. 10 remaining vendors to supply garment accessories for Transit operators, uniforms for Special Constables and Fare Inspectors for a total upset limit of \$1,300,000 including taxes.

Financial Summary

The expected total contract authority requested for the issuance of these contract extensions, including rebatable HST is \$4.6 million for the 2024 fiscal year and \$4.5 million for the 2025 fiscal year. The contract cost, net of the HST rebate, is \$4.2 million in 2024 and \$4.1 million in 2025, as summarized in Table 1 below:

Table 1: Summary of Upset Limit Contract Authority by Vendor and Year

Vendor	2024			2025		
	Contract Upset Limit	Rebatable Portion of HST	Total - Contract Authority	Contract Upset Limit	Rebatable Portion of HST	Total - Contract Authority
The Uniform Experts	\$ 2.0	\$ 0.2	\$ 2.2	\$ 2.0	\$ 0.2	\$ 2.2
Mark's Work Warehouse	\$ 1.6	\$ 0.2	\$ 1.8	\$ 1.6	\$ 0.2	\$ 1.8
Various Vendors	\$ 0.6	\$ 0.0	\$ 0.6	\$ 0.5	\$ 0.0	\$ 0.5
Total	\$ 4.2	\$ 0.4	\$ 4.6	\$ 4.1	\$ 0.4	\$ 4.5

The contract upset limit includes a weighted average price increase of 3% and a further 10% increase based on current spending accommodate potential increased requirements in 2024. The TTC's 2023 Operating Budget approved by the TTC Board on January 9, 2023 and approved by City Council on February 15, 2023, includes \$4.15 million for uniform and work clothing requirements and a comparable amount, will be included in the 2024 and 2025 Operating Budget submissions for the Board's consideration.

Equity/Accessibility Matters

A cornerstone of the TTC's current Corporate Plan is accessibility, and as a proud leader in providing accessible public transit in the City of Toronto, the TTC is committed

to ensuring reliable, safe and inclusive transit services for all our customers and employees.

As part of its review of uniforms and work clothing, careful consideration will be given to ensuring that there are clothing options appropriate for women and employees from different religious backgrounds.

Decision History

To date, contracts for the supply of work clothing and uniform garments did not require Board approval, as contract values were below \$5 million and were authorized by staff in accordance with the TTC’s Authorization for Expenditures and Other Commitments Policy.

Issue Background

The TTC provides its employees with uniforms and work clothing, with specific entitlements varying based on the work group, collective agreement (if applicable) and function within the organization. Historically, the primary work groups that receive uniforms and work clothing allowances include:

- Transit Operators and Supervisors
- Stations employees such as Collectors, Customer Service Agents and Supervisors
- Maintenance employees
- Special Constables and Fare Inspectors

As shown in Table 2 below, approximately 9,500 employees receive uniforms, work clothing, and related garments on an annual basis.

Table 2 – Contract Uniform/Clothing Details

Uniform Clothing Requirements	Primary Work Groups	Clothing examples	29 Contracts	Number of Employees (Annual basis)
1. Uniforms – Tailored Garments	Operators, Collectors, CSAs, and Supervisors	Fitted, Blazers, Pants	7 Contracts	5,200
2. Uniforms – Bulk Accessories		Ties, Winter caps	7 Contracts	
3. Uniforms – Department managed	Revenue Collectors, Transit fare inspector, Transit Special constable	Shirts, Dress Pants, Rain Jackets	13 Contracts	300
4. Work Clothing	Maintenance employees, Roofers, Traffic checkers	Work pants, Shop coats	2 Contracts	4,000

The TTC currently has 29 contracts with 12 vendors to provide uniforms and work clothing garments for employees. Many of these contracts will expire at the end of 2023. The continued supply of uniforms and work clothing is required from the current vendors up to December 31, 2025 to:

- Ensure that there is no interruption to the supply of uniforms for Transit Operators, Supervisors and Stations employees;
- Allow for a fulsome review of all clothing and uniform allowances; and,
- Procure and transition to a new supply and delivery model.

Comments

In 2022, TTC staff determined a need to consolidate the 29 contracts related to work clothing and uniforms and to modernize both the ordering and distribution processes. The goal was to complete this work prior to the expiry of the existing contracts, particularly those contracts that supply uniforms for customer facing employees. A structured review was undertaken to enable TTC senior staff to identify business objectives, opportunities, challenges, requirements; peer practices and supplier options to inform a preferred procurement process for the TTC.

In Q1 2022, strategic sourcing workshops were completed and complemented with several benchmarking exercises. The peer reviews engaged multiple transit and public agencies, namely Metrolinx, Translink, Calgary Transit, City of Toronto's Purchasing Division, Toronto Fire Services, Toronto Paramedic Services, Toronto Police Services, and identified various procurement, garment distribution and operational approaches. The workshops and peer-review benchmarking were used to inform a market Request for Information (RFI) that was issued in Q3 2022. The market RFI received a total of seven formal responses which validated the vendors' market positioning, product and service capabilities, entitlement management programs, environmental sustainability and interest in TTC's future contract. The market RFI responses further permitted RFI respondents to identify areas of concern that were subsequently addressed with impacted client groups.

As work progressed, staff identified the need to address and incorporate new work clothing and uniforms requirements which increased the scope and complexity of the project beyond simply focusing on consolidation and improved ordering and distribution.

The TTC determined it necessary to broaden this program review to better define uniform requirements that will ensure the supply of uniforms and work clothing that will meet gender and religious-based needs, informed by the TTC's Women and Diversity Committee. As well, there is an opportunity to determine work clothing entitlements that will optimize work performance and will clearly identify (non-uniform) TTC staff working in the transit system.

The scope of the review now includes clothing entitlements by work group that;

- Addresses gender and religious-based requirements and the amount and frequency of clothing and uniform allowances;
- Assesses impacts on TTC branding and collective agreements, if any; and,
- Establishes procurement and distribution strategies.

While this review is being conducted, there is a need to continue the supply of uniforms for front-facing positions such as operators, collectors, and supervisory staff in the Transportation and Operations Departments. These positions interact with customers on a daily basis. Their uniforms are essential for managing service, ensuring safety and security in the network, and are an important part of the TTC's branding. Given this, the on-going supply of uniforms is necessary for continued compliance with the collective agreement.

The 29 contracts currently expire between July 22, 2023 and June 11, 2025, with 16 of the contracts expiring at the end of 2023. Seven of the 29 contracts have extension options, however, the extension terms will not carry the contracts to December 31, 2025. Staff intends to utilize its authority to exercise the extension options where they exist. Upon the Board's approval of this report, staff will issue renewal contracts with the 12 current vendors in the aggregate amount of \$9.1 million to provide for the continued supply of uniforms and work clothing to December 31, 2025.

Extensions until December 31, 2025 will permit staff to complete the comprehensive review of the uniforms and work clothing and procure new contracts over an approximate nine to twelve month period and allow an approximate 12 months to support a transition plan to ramp up with potential new vendor(s) and ramp down with the current vendors.

Contact

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Signature

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Attachments

Attachment 1 – Uniforms and Working Project – Onboard and Transition Plan

Attachment 1 - Uniforms and Working project – Onboard and Transition Plan

