



REPORT FOR ACTION

Non-competitive Contracts with Existing Vendors for the Extension of Proprietary Information Technology Maintenance and Support, License Subscription, and the Provision of Professional Services

Date: May 18, 2018

To: Government Management Committee

From: General Manager, Parks, Forestry and Recreation; Chief Information Officer, Information & Technology; and Chief Purchasing Officer, Purchasing and Materials Management Division

Wards: All

SUMMARY

The purpose of this report is to seek City Council authority to negotiate and enter into non-competitive contracts with existing vendors for the extension of proprietary information technology maintenance and support, license subscription, and the provision of professional services for solutions used by the Parks, Forestry and Recreation Division (PF&R) to support the following operational areas:

The Ferry Ticket Management Solution (TMS) which provides for point of sale and online ferry ticket sales and is supported by a software maintenance agreement with VisionMax Solutions Inc. (VisionMax).

The PFR Asset Management Solution (PFRAMS) which provides for the management of capital construction projects which is supported by a software maintenance agreement with PowerPlan Canada ULC (PowerPlan). This solution supports financial planning and project tracking for State of Good Repair (SOGR), land acquisition and new construction of facilities for PF&R.

The Mobile Inspection Solution (Inspections) which provides for inspections of parks and park amenities as well as ravines, watercourses and trees which are an integral part of the operations of PF&R. A software solution subscribed from Fulcrum Mobile Solutions LLC (Fulcrum) has provided the ability to manage field inspections.

The total amount of the three solutions identified in this report is \$966,873 net of HST (\$983,890 net of HST recoveries).

City Council approval is required in accordance with Municipal Code Chapter 195 Purchasing, where the current request exceeds the Chief Purchasing Officer's authority of the cumulative five year commitment for each vendor, under Article 7, Section 7.3 (D) of the Purchasing By-Law or exceeds the threshold of \$500,000 net of HST allowed under staff authority as per the Toronto Municipal Code, Chapter 71- Financial Control, Section 71-11A.

RECOMMENDATIONS

The General Manager, Parks, Forestry and Recreation, Chief Information Officer, Information & Technology, and the Chief Purchasing Officer, Purchasing and Materials Management Division recommend that:

1. City Council grant authority to the General Manager, Parks, Forestry and Recreation to negotiate and sign the following non-competitive contracts, on terms and conditions satisfactory to the Chief Information Officer and the General Manager, Parks, Forestry and Recreation and in a form satisfactory to the City Solicitor:

a. VisionMax Solutions Inc. to extend maintenance and support and to provide professional services for the Ferry Ticket Management Solution (TMS) for two (2) separate one (1) year periods, renewable annually at the City's option, from July 15, 2019 to July 14, 2021 for a total amount of \$124,000 net of HST (\$126,182 net of HST recoveries).

b. PowerPlan Canada ULC to extend maintenance and support and to provide professional services for PFR Asset Management Solution (PFRAMS) for four (4) separate one (1) year periods, renewable annually at the City's option, from December 14, 2017 to December 13, 2021, for a total amount of \$591,908 net of HST (\$602,326 net of HST recoveries); and

c. Fulcrum Mobile Solutions LLC for the annual subscription of 'Professional' licenses for three (3) separate one (1) year periods, renewable annually at the City's option, from 2019 to 2021 for a total amount of \$195,120 (USD) net of HST (\$198,554 (USD) net of HST recoveries).

FINANCIAL IMPACT

The total potential cost to the City is estimated at \$966,873 net of HST (\$983,890 net of HST recoveries). Funding in the amount of \$288,265 net of HST (\$293,338 net of HST recoveries) for 2018 is available in the 2018 Approved Operating Budget for Parks, Forestry and Recreation. Additional required funding will be requested in the 2019-2021 Operating Budget Submissions for Parks, Forestry and Recreation to cover those respective years in total.

Table 1: Approved 2018 Funding and Estimated 2019-2021 Funding, Net of HST Recoveries

Year	Cost Centre/ WBS	Cost Element	VisionMax	PowerPlan	Fulcrum	Net of HST Recoveries
2018	P13333	4038		\$293,338		\$293,338
2019	P13333	4038		\$152,214	\$66,714*	\$218,928
	P00012	4038	\$63,091			\$63,091
2020	P13333	4038		\$156,774	\$83,922*	\$240,696
	P00012	4038	\$63,091			\$63,091
2021	P13333	4038			\$104,746*	\$104,746
TOTAL Net of HST Recoveries			\$126,182	\$602,326	\$255,382	\$983,890

*Exchange rate: 1 \$USD = 1.287 \$CDN as of May 7, 2018.

The Interim Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

Ferry Ticket Management Solution (VisionMax)

At its meeting of July 24, 2013, the Bid Committee awarded a contract to VisionMax Limited for the Ferry Ticket Management Solution in the total amount of \$530,330.19 net of HST recoveries. (VisionMax Limited thereafter assigned to VisionMax Solutions Inc.)

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.BD134.3>

PFR Asset Management Solution (PowerPlan)

At its meeting of December 5, 2012, the Bid Committee awarded a contract to Riva Modeling Systems Inc. (Riva) for an Asset Management Solution in the total amount of \$1,234,780.25 net of HST recoveries (Riva was purchased by PowerPlan in 2016).

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.BD102.1>

Inspections (Fulcrum)

Historically, Parks, Forestry and Recreation initially procured Fulcrum License subscriptions through a sole source DPO dated February 6, 2014. Additional licenses and license subscription renewals were also procured through various sole source DPOs and POs from the initial procurement date to 2018. The accumulative spend to-date is \$40,608 net of HST recoveries.

COMMENTS

Ferry Ticket Management Solution (VisionMax)

The initial purchase of the Ferry Ticketing Management Solution was made in May of 2014, and launched in May 2015. This solution provided Point of Sale (POS) and online ticket sales in support of the Toronto Island Ferry service. This included the installation of new POS terminals and cash drawers at the Toronto Island Ferry Terminal and the integration of the City's Common Payment Component (which leverages Moneris Online) for processing online payments.

The solution was intended to streamline ticket purchasing for ferry customers by providing credit and debit card options in addition to cash as methods of payment, as well as providing a convenient online channel to purchase tickets. The solution also improved cash handling and sales reporting.

In 2016, over 1.5 million tickets were sold for trips to the Toronto Islands; almost 20% of these were purchased through the online portal. The solution has undergone a number of configuration improvements since the initial installation. These have been paired with process improvements related to crowd management and ticket processing. The overall solution is stable and it is the intention of PF&R to continue using this solution for the foreseeable future.

Annual maintenance and support for the TMS with VisionMax Solutions Inc. is set to expire on July 14, 2019. Without the continued support provided by the vendor both for regular solution support and maintenance as well as professional services, ferry ticket operations will not be possible, either on site Point of Sale or online ticket sales.

A non-competitive contract is preferred for the period stated in this report as the configuration of the solution is customized to ferry ticket operations and a replacement solution cannot be developed or procured in that timeframe.

Pricing of this solution reflects a discount and is set for the anticipated duration of this procurement request.

Going forward a determination will be made as to whether the solution will continue to be leveraged or if a competitive process for the procurement of a future solution will be needed.

PFR Asset Management Solution (PowerPlan)

In December 2012 a contract was entered into with Riva Modeling Systems Inc. (Riva was purchased by PowerPlan in 2016) to implement the Parks, Forestry and Recreation Asset Management Solution (PFRAMS). The purpose of this solution was to replace a legacy in-house solution supporting financial planning and project tracking for State of Good Repair (SOGR), land acquisition and new construction or replacement of facilities.

The solution has been in use since go-live in 2013 and has provided project tracking and financial planning functionality over that time. In 2017, PF&R undertook over 244 capital projects with a total value of approximately \$244.8 Million. As the City and PF&R prepare for the future implementation of an enterprise Asset Management solution, the PFRAMS solution will continue to support these functions.

The overall solution is currently under review, which is slated to be completed in 2018 with recommendations on how to move forward with the overall solution, specifically in support of ongoing work and asset management solution initiatives.

Annual maintenance and support for the PFRAMS with PowerPlan expired December 13, 2017. Support for the current solution needs to continue while the review is ongoing because the capability to track projects and report on capital budget options will be otherwise compromised. These projects represent millions of dollars of capital investment which would be impacted by a transfer to a more manual method of tracking.

A non-competitive contract is preferred for the period stated in this report as the configuration of the solution is customized to Capital Planning operations and a replacement solution cannot be developed or procured in that timeframe.

Pricing of this solution has been customized to the specific modules and configuration provided to the City and represents the best price for this solution.

Going forward a determination will be made as to whether the solution will continue to be leveraged or if an alternative or alternatives to the solution will be sought, including potentially whether a competitive process for the procurement of a future solution will be needed. It is also a possibility that the enterprise Asset Management solution may be leveraged for divisional needs in this area.

Inspections (Fulcrum)

In February 2014, a Purchase Order for the subscription of 25 'Standard' licenses was issued through a Sole Source procurement with Fulcrum Mobile Solutions LLC. The licenses provide PF&R with the ability to create an online, mobile form for capturing information in support of the inspection of PF&R assets in the field. Prior to this, inspections were managed through a variety of manual and mostly paper-based methods. The introduction of this solution allowed for a consistent and more efficient approach to scheduling and documenting inspections. The initial success of the solution led to further implementations and the use across over 30 inspection types by multiple

teams in PF&R. In 2017, over 35,000 inspections were accomplished using this tool. Plans for further use drives the need to renew license subscriptions, to increase the number of license subscriptions, to upgrade the license type from 'Standard' to 'Professional' for added functionality, and to purchase additional storage space from the vendor.

The value of this tool has been significant in providing interim capabilities in the areas of data collection and inspection management in preparation for broader work and asset management solutions, and also in providing operations staff with experience in the configuration and use of mobile solutions for field data collection and management. The procurement of the additional licenses and upgrading all licenses to Professional will support the desired expansion of inspections to other areas of park operations, continue organizational change, and allow for valuable interim data collection. Without the capability that the Fulcrum tool provides, inspections will revert to the manual use of paper forms and less effective technologies.

A non-competitive contract is preferred for the period stated as the pricing provided is the best value to the City and the solution is intended to be a bridge to future capabilities provided by the Enterprise Work Management Solution.

Pricing of the solution has been guaranteed by the vendor for the anticipated duration of this procurement request.

The Fair Wage Office has reported that the three recommended vendors within this report have indicated that they have reviewed and understand the Fair Wage Policy and Labour Trades requirements and have agreed to comply fully.

CONTACT

Ann Ulusoy, Director, Management Services, Parks, Forestry and Recreation, Tel: 416 392-8190, Email: Ann.Ulusoy@toronto.ca

Richard Ubbens, Director, Parks, Parks, Forestry and Recreation, Tel: 416 392-7911, Email: Richard.Ubbens@toronto.ca

Jacque Breen, Manager, Corporate Purchasing Policy & Quality Assurance, Purchasing & Materials Management Division, Tel: 416-392-0387, Email: Jacque.Breen@toronto.ca

Lan Nguyen, Deputy Chief Information Officer, Information & Technology, Tel: 416 397-9822, Email: Lan.Nguyen@toronto.ca

SIGNATURE

Janie Romoff
General Manager, Parks, Forestry & Recreation

Rob Meikle
Chief Information Officer, Information & Technology

Michael Pacholok
Chief Purchasing Officer, Purchasing & Materials Management Division