



STAFF REPORT ACTION REQUIRED

Professional Services for Ventraq Corporation (Ventraq) to Support the City's Telecommunication and Expense Management System

Date:	October 19, 2015
To:	Government Management Committee
From:	Chief Information Officer, Information & Technology Division, and Director, Purchasing and Materials Management Division
Wards:	All
Reference Number:	P:\2015\Internal Services\I&T\Gm15009I&T (AFS22003)

SUMMARY

Information and Technology Division is requesting approval from City Council for a non-competitive contract with Ventraq Corporation (Ventraq), for the provision of professional services to provide on-going requirements for changes to their proprietary NetPlus software, for a five (5) year term, in the amount of \$100,000 net of HST (\$101,760 net of HST recoveries). NetPlus is the City's Telecommunication Expense Management System software, used for network and telephony inventory and billing management.

City Council approval is required in accordance with Municipal Code By-law Chapter 195- Purchasing, where the current request has exceeded the Chief Purchasing Official's authority of the cumulative five year commitment limit under Section 1 of the Purchasing By-Law.

RECOMMENDATIONS

The Chief Information Officer and the Director, Purchasing and Materials Management recommend that:

1. City Council grant authority to the Chief Information Officer, to negotiate and enter into a non-competitive contract with Ventraq Corporation (Ventraq) for professional services in the amount of \$100,000 net of HST (\$101,760 net of HST recoveries), for a period of five (5) years from the effective date of the agreement, on terms and conditions satisfactory to the Chief Information Office and in a form satisfactory to the City Solicitor.

Financial Impact

The contract value is \$113,000 including HST and all applicable taxes and charges. The cost to the City is \$101,760 net of HST recoveries. Funding in the amount of \$3,392 net of recoveries is included in the 2015 Approved Operating Budget for Information and Technology Division, under Cost Centre IT3000 and Cost Element 4038. The remaining funding for the balance of the contract to October 31, 2020 will be included in the 2016 to 2020 annual Operating Budget Submissions for Information and Technology Division, under Cost Centre IT3000 and Cost Element 4038.

Year	Cost Centre	Cost Element	Total Net of HST Recoveries
Nov.1, 2015 to Dec. 31, 2015	IT3000	4038	\$3,392
2016	IT3000	4038	\$20,352
2017	IT3000	4038	\$20,352
2018	IT3000	4038	\$20,352
2019	IT3000	4038	\$20,352
Jan. 1, 2020 to Oct. 31, 2020	IT3000	4038	\$16,960
TOTAL			\$101,760

The Deputy City Manager & Chief Financial Officer has reviewed this report and agrees with the financial impact information.

ISSUE BACKGROUND

Based on a competitive RFP, the Information & Technology Division executed a \$716,995 contract with Ventraq Corporation (Ventraq) in 2006 for the implementation of a Telecommunication and Expense Management System (TEMS).

Information & Technology Division has continued to leverage this investment through upgrades and enhancements over the past years to ensure the system continues to meet City requirements.

Purchase order No. 6031376 was issued to Ventraq Corporation (Ventraq) for professional services in the amount of \$150,000 net of HST through the non-competitive process on October 6, 2010 and subsequently amended on August 1, 2014 for an additional \$100,000 net of HST. This latest amendment expires October 5, 2015.

COMMENTS

NetPlus, a web based Telecommunications & Expense Management System (TEMS) is a proprietary solution and Ventraq Corporation (Ventraq) is the only company that can make the necessary changes. Telecommunications & Expense Management System (TEMS) manages all of the City's telecommunications (wireline and wireless) and network (circuits and signals) assets that have regular monthly recurring and non-recurring charges.

Currently, electronic billing information from six different vendors is processed monthly through the system and is validated against the City's assets.

Professional services are periodically required to modify the NetPlus system due to:

- Telecommunication vendor billing feed changes
- customized functional requirements to address City accounting requirements
- application enhancements to improve work flow
- creation of specialized reports
- additional support during release upgrades

Since the NetPlus software is proprietary to Ventraq Corporation (Ventraq), changes to the source code can only be made by Ventraq Corporation (Ventraq), to minimize risk in terms of performance, reliability and sustainability of the software and to ensure that no third party vendor has access to Ventraq Corporation (Ventraq)'s intellectual property, which could be considered a breach of contract.

Staff report for action on professional services from Ventraq Corporation (Ventraq)

Ventraq Corporation (Ventraq) has confirmed through a fair pricing letter that pricing for professional services to modify the NetPlus system is standard with no volume discounts, and is in line with previous pricing to the City and to other clients.

The Fair Wage Office has reported that Ventraq Corporation (Ventraq) Corporation has reviewed and understood the Fair Wage Policy and Labour Trades requirements and have agreed to comply fully.

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SIGNATURE

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