

City of Mississauga

Corporate Report



Date: May 25, 2020

To: Mayor and Members of Council

From: Gary Kent, CPA, CGA, ICD.D, Commissioner of
Corporate Services and Chief Financial Officer

Originator's files:

Meeting date:
June 24, 2020

Subject

Single Source Procurements related to Expiring 2020 Information Technology (IT) Contracts (File Ref: PRC000923, PRC001145, PRC001920, PRC002361, PRC002364, PRC002368, PRC002373)

Recommendation

1. That Council approve the single source procurements for software licensing, subscription services, professional services, and maintenance and support related to eight (8) Information Technology contracts listed in Appendix 1 of the report dated May, 25, 2020, from the Commissioner of Corporate Services and Chief Financial Officer entitled, "Single Source Procurement related to Expiring 2020 Information Technology (IT) Contracts (File Ref: PRC000923, PRC001145, PRC001920, PRC002361, PRC002364, PRC002368, PRC002373)".
2. That the Purchasing Agent or designate be authorized to execute the necessary amendments and related ancillary documents to extend the term of the contracts and to increase the value of the contracts with the vendors as identified in Appendix 1 of this report, in accordance with the City's Purchasing By-law 374-06, as amended.

Report Highlights

- IT and Materiel Management have ensured COVID-19 related procurements are at the highest priority which is impacting the ability to complete existing procurements necessary for ensuring business continuity of IT systems throughout the City, in a timely manner.
- Maintaining critical business functions supported by technology and the impacts of COVID-19 have created some challenges to sustain some of the contracts expiring in 2020. By moving these specific contracts forward with extension it will ensure continued service delivery in their respective service areas
- IT contract expirations and renewals into a single Corporate Report provides efficiencies and reduces the frequency of reports to Council and the associated effort and is in

alignment with IT's work plan.

- The approval of this report would allow the specific IT contracts identified in Appendix 1 to be extended, ensuring business continuity and no service disruption until a full procurement can be addressed. This is a unique situation which requires immediate attention to ensure business can continue to move forward.

Background

Currently Information Technology (IT) manages over 150 contracts for hardware, software and services for the City. These contracts directly support business service delivery as well as critical IT infrastructure that "keep the lights on". IT has an established operational work plan for contract renewals and/or new procurements to replace existing contracts which will expire in 2020.

As the City responds to the COVID-19 pandemic, priorities for planned work must be adjusted to provide the capacity to manage higher priority COVID-19 related items. To date, IT currently has managed nine (9) COVID-19 related procurements. Five (5) are still active, and four (4) have been completed. The realignment of priorities for COVID-19 related procurements has impacted Information Technology, Materiel Management, and Legal staff's ability to focus on planned IT contract renewals that are necessary to ensure business continuity for key City services. This is compounded by the anticipated reduced ability of the vendor community to respond in an effective timely manner to procurements following the established purchasing by-laws.

Materiel Management, IT and Legal have reassessed and realigned their services and projects to respond to the changing business needs and plan for the 'new normal'. This realignment is to provide capacity in Materiel Management, IT and Legal for the high priority COVID-19 related work. In order to support this realignment there are a number of contracts that are expiring in 2020 that will need to be renewed or extended to provide the capacity required by staff and vendors to respond effectively to the changes in service delivery.

Comments

IT follows approved City processes for procuring software, professional services, maintenance and support and subscription services through a balance of competitive procurements, single source procurements, and contract renewals. Under these unique and historic circumstances, IT, Materiel Management and the business are requesting the approval of this report to provide staff and our vendors the necessary capacity and relief as we maneuver our way through this COVID-19 pandemic and the shifting of priorities brought on by this new way of doing business. The approval of this report would allow the specific IT contracts identified in Appendix 1 to be extended, ensuring business continuity and no service disruption until a full procurement can be addressed. This is a unique situation which requires immediate attention to ensure business can continue to move forward.

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Purchasing By-law Authorization

The scope of risk includes eight (8) contracts in total. Six (6) contracts are expiring in Q3 of 2020 and two (2) contracts are expiring in Q4 of 2020. These contracts will be extended under Purchasing By-law 374-06, Schedule "A" using the Single/Sole Source Acquisition justification clauses shown below, and the supporting rationale for each single/sole source contract in Appendix 1, which has been reviewed and approved by Materiel Management.

- (b)(iv) The solicitation of competitive Bids would not be economical to the City
- (b)(xi) A need exists for compatibility with, or for the maintenance and support of a City Standard and there are no reasonable alternatives, substitutes, or accommodations

Materiel Management has reviewed and approved all Single/Source justification forms that were submitted for each of the contracts in Appendix 1. The following Contracts are recommended for extension and procurement to meet business needs with the full details for each contract found in Appendix 1.

| Vendor | Description |
|---|---|
| Accenture Inc. | Accenture Clone and Test HCM Software; Tool used to transfer and scramble test data between SAP environments and to perform payroll comparisons and testing for large and ongoing changes like mandatory annual tax notes |
| Archive Systems, Inc. dba Access Information Protected | OmniRIM Physical Records Management System used by all Departments across the City for physical records management operations |
| The Public Sector Digest Inc. | Tangible Capital Asset System; accounting software solution for the reporting of the City's tangible capital asset activity (legislative requirement) |
| AVI-SPL Canada Ltd. | Digital Signage System (DSS) for the administration of digital messaging in various City facilities; utilizes Omnivex software |
| CaseWare International Inc. / F.H. Black & Company Incorporated (split award) | Financial Working Papers Software solution used to produce the City's Financial Statements; CaseWare provides the software, F.H. Black provides professional services and support |
| WorldAPP, Inc. | KeySurvey survey solution used across the City for internal and external surveys |
| Workfront, Inc. | Communications Service Request Intake Solution used for the management of all work requests sent to the Strategic Communications Division |

Financial Impact

The required contract extensions identified in Appendix 1 represent a total estimated dollar increase of \$650,000.00 for the extended term. The total value of contracts has increased from \$1.207 M to approximately \$1.857 M as a result of the contract extensions. The existing contracts are funded in the 2020 approved IT and Finance operating budgets. The recommended contract extensions will continue to be funded from IT and Finance operating budgets, with any increases subject to budget approvals.

Conclusion

It is important to maintain critical business functions supported by technology and the impacts of COVID-19 have created some challenges to sustain some of the contracts expiring in 2020. By moving these specific contracts forward with extension it will ensure continued service delivery in their respective service areas.

Attachments

Appendix 1: Statement of Work



Gary Kent, CPA, CGA, ICD.D, Commissioner of Corporate Services and Chief Financial Officer

Prepared by: Shawn Slack, MBA, Director Information Technology and Chief Information Officer