

City of Mississauga
Corporate Report



<p>Date: April 16, 2024</p> <p>To: Chair and Members of General Committee</p>	<p>Originator's files:</p>
<p>From: Raj Sheth, P.Eng, Commissioner of Corporate Services</p>	<p>Meeting date: May 8, 2024</p>

Subject

Single Source Procurements Related to 2024 – Q2 Information Technology (IT) Contracts: (Enghouse Transportation Limited, HLP Inc., Precisely Software Incorporated, True North Safety Group Incorporated, Bentley Systems Incorporated, VertiGIS North America Ltd., GoDaddy Incorporated and DigiCert Incorporated).

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 as listed in Appendix 1 of the report dated April 16, 2024, from the Commissioner of Corporate Services, entitled "Single Source Procurements Related to 2024 – Q2 Information Technology (IT) Contracts: (Enghouse Transportation Limited, HLP Inc., Precisely Software Incorporated, True North Safety Group Incorporated, Bentley Systems Incorporated, VertiGIS North America Ltd., GoDaddy Incorporated and DigiCert Incorporated)".
2. That the Chief Procurement Officer or designate be authorized to execute all contracts and related ancillary documents with respect to the purchases between the City and the Suppliers identified in Appendix 1 for the goods and services, length of time, and estimated amounts exclusive of taxes specified there, in accordance with the City's Procurement By-law 0013-2022, as amended, and in a form satisfactory to Legal Services.

Executive Summary

- Maintaining critical business functions supported by IT technology requires regular contract extensions to ensure they are on current supplier-supported versions, secure from security threats and that they allow for the deployment of necessary upgrades and updates.
- The transition from perpetual licensing to subscription-based models in the software industry presents several opportunities. The introduction of annual subscription fees

increases costs, but provides efficiencies, lowers risk to the City and increases the City's cybersecurity posture.

- The approval of this report would allow the specific IT supplier contracts identified in Appendix 1, totalling \$9,055,000, to be executed as required.

Background

Currently, Information Technology (IT) manages over 200 contracts for hardware, software and services for the City. This number increases annually as the City embraces new business driven technologies required to improve service delivery for residents and staff. These contracts directly support business service delivery as well as critical IT infrastructure that “keeps the lights on” and occasionally introduces newer IT technologies. IT has an established operational work plan for contract extensions and/or new procurements to replace existing contracts that are scheduled to expire over the next twelve months.

Comments

IT follows approved City processes for procuring software, professional services, maintenance and support and subscription services through a balance of competitive procurements or single source procurements. IT, Procurement Services and the applicable business unit are requesting the approval of eight (8) single source procurements to address expiring contracts as identified in Appendix 1. The approval of this report would allow the specific IT procurements and contracts identified in Appendix 1 to be executed, as required, ensuring business continuity and no service disruption to the City's operations that are dependent on these systems.

The transition from perpetual licensing to subscription-based models in the software industry presents several opportunities. The introduction of annual subscription fees increases costs, but provides efficiencies, lowers risk to the City and increases the City's cybersecurity posture.

Procurement By-law Authorization

Eight (8) contracts identified in Appendix 1 will be executed under Procurement By-law 0013-2022, Schedule “A” using the Single Source Procurement justification clauses shown below, and the supporting rationale for each single source contract in Appendix 1, which has been reviewed and approved by Procurement Services:

- (b) There is a scarcity of supply in the market;
- (c) The Goods and/or Services are unique to one particular supplier and no reasonable alternative or substitute exists due to exclusive rights such as patent, copyright or license;
- (e) No acceptable Bids were submitted;
- (h) For additional Goods and/or Services from the original Supplier that were not included in the original Procurement, if the change of Supplier for such additional Goods and/or Services cannot be made for:

- (i) Economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations procured under the initial Procurement; and
- (ii) Would cause significant inconvenience or substantial duplication of costs for the City;

Financial Impact

There are no financial impacts resulting from the recommendations in this report. The required contracts identified in Appendix 1 represent a total estimated spend of \$9,055,000 for the new contract terms. The existing contracts are funded in the 2024 approved IT operating budget (GL 715516). Any IT contracts in subsequent years will be subject to budget approvals. Capital expenditures will be funded through approved capital project budgets. The financial details for each contract can be found in Appendix 1.

Conclusion

It is critical for IT to maintain support for key business systems that rely on IT technology to manage their day-to-day work. By moving these specific contracts forward as proposed in this report, the City will ensure continued service delivery in the respective service areas that are reliant on these IT systems.

Attachments

Appendix 1: Statement of Work Criteria for Single Source Procurement



Raj Sheth, P.Eng, Commissioner of Corporate Services

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