

The Regional Municipality of York

Committee of the Whole
Transportation Services
May 2, 2019

Joint Report of the Commissioner of Transportation Services and
Commissioner of Community and Health Services

Extension of Contract for Upgrade and Support of Workforce Management Software

1. Recommendations

1. Council approve extension of the contract with TOS Ltd. for software upgrade, additional licenses, training services, support and maintenance of Transportation Services and Access York Contact Centres Workforce Management Software, pursuant to the Direct Purchase provisions of the Purchasing Bylaw on the following terms:
 - a) The total cost for the software upgrade, additional licenses, training services and software support and maintenance shall not exceed \$353,821 USD, excluding HST
 - b) The term of the contract extension be five years commencing January 1, 2020 and ending December 31, 2024
2. Council authorize the Commissioner of Transportation Services to execute the extension of the contract on behalf of the Region.

2. Summary

This report seeks Council approval for the extension of the contract with TOS Ltd. for software upgrade, purchase of additional licenses, training services and ongoing support and maintenance of Workforce Management Software as a direct purchase.

Council approval is required for a direct purchase that exceeds \$150,000 under Section 10 of the Purchasing Bylaw (2017-30). Specifically, Section 10.1 (a) stipulates that any deliverable that exceeds \$150,000 may be procured without issuing a call for bids, provided that, in the opinion of the Commissioner, the compatibility of a purchase with existing equipment, facilities or service is the paramount consideration. A direct purchase is required in this instance in order to ensure compatibility with existing software.

Council approval is also required under Section 18.1(a) of the Purchasing Bylaw because the extension would result in an aggregate term of greater than five years.

Key Points:

- Current version of software will not be supported by the vendor starting January 1, 2020
- The contract extension is needed to continue providing a workforce management tool for the Transportation Services and Access York contact centres and help achieve the Region's customer service standards

3. Background

Transportation Services and Access York contact centres provide customers with access to Regional services and information through variety of communication channels

The Transportation Services and Access York contact centres use Workforce Management Software to manage daily operations, while ensuring Regional customer service key performance indicators are met. The software uses current and historical trends and data to accurately forecast call volumes, allowing staff to efficiently schedule the number of staff to work different shifts in each contact centre. The Region has achieved significant efficiencies and savings since initial implementation of the software.

Transportation Services operates two contact centres to assist transit customers. The transit contact centre provides customer service through telephone, an interactive voice response system, in-person at transit terminals, email, an automated online feedback form and live chat features. In 2018, staff responded to approximately 140,000 phone calls, 7,100 emails, 3,000 live chats, and 600 in-person transactions. Additional call volumes are anticipated in the next five years as customer service initiatives are expanded across the Transportation Services department, including the Roads and Traffic Operations and Capital Planning and Delivery branches.

The Mobility Plus contact centre, books door-to-door rides for people with disabilities, and responds to requests and information for on-demand and dispatch services by telephone, an interactive voice response system, email and website bookings. In 2018, Mobility Plus staff responded to approximately 183,000 phone calls and 3,100 emails and website bookings.

Approximately sixty full-time, part-time, temporary and casual staff are employed to service both Transportation Services contact centres.

Community and Health Services department manages the Access York contact centre which is the umbrella for services offered to York Region customers including in-person reception sites and the kiosk at the Administrative Centre. Customers can access general information about Regional programs at any of the in-person reception sites and referral services, registration and intake services via the contact centre.

Access York performs the majority of its work via telephone, and in the last few years has doubled its call volumes by providing more services to customers. Access York currently handles over 160 different lines of business, with 21 new programs/expanded scope of current programs in 2018 and 22 new programs/expanded scope planned for 2019. In 2018, Access York staff responded to approximately 214,200 calls, 11,150 emails, 700 inquiries by mail, 750 in-person inquiries, 155 mobile app inquiries, 186 web inquiries and 37 facsimile inquiries.

Approximately 53 full-time, part-time, temporary and casual staff are employed by Access York contact centre.

Workforce Management Software provides the following benefits:

- Measures overall contact centre performance to ensure customers receive consistent and timely responses, and minimizes customer wait time to speak to a live agent
- Accurately forecasts call volumes and projected staffing needs to ensure established service levels are met; 80 per cent of calls are answered within 20 seconds
- Builds automated, accurate schedules based on established service level targets and key performance indicators
- Effectively manages resources and workflow
- Monitors staff adherence to schedules and contact centre performance metrics
- Manages schedules in real time based on customer demand and fluctuations in call volumes in order to deliver efficient customer service and ensure productivity
- Helps determine current and future staffing requirements

In 2013, the contract to implement the Workforce Management software was awarded to TOS Ltd. following a competitive procurement process

The contract for the implementation of Workforce Management Software was awarded to TOS Ltd. following a procurement process initiated by Transportation Services. Through other approvals, the Workforce Management Software was expanded to include the Access York contact centre. TOS Ltd. is an authorized Canadian distributor of the software supplied by Verint, the vendor.

In June 2015, Council approved an extension of the contract with TOS Ltd. for Transportation Services to continue receiving software support and maintenance until the end of 2019

In June 2015, Council approved an extension of the Transportation Services software support and maintenance contract until December 31, 2019. [In May 2018](#), Council also approved an extension of a separate contract with TOS Ltd. for Community and Health Services to continue receiving software support and maintenance until end of 2023. In order

to combine the support and maintenance under one contract, the previous report of May 2018 approved for the Community and Health Services department will not be acted upon. The approved amount of CAD \$69,107 for the Community and Health Services department has been incorporated into the total approval requested through this report.

The Workforce Management Software is proprietary in nature and ongoing maintenance support is required. Software support and maintenance contracts for proprietary software are common in the information technology industry to ensure continuity of services.

4. Analysis

The current version of software will not be supported by the vendor beyond 2019 and requires an upgrade

The current version of the software will not be supported by the vendor beyond 2019 and requires an upgrade. Additional costs for professional and training services will be required in order to train staff on the new software user interface and functionality.

The current software support and maintenance contract for Transportation Services will be ending on December 31, 2019 and will require an extension

The current software support and maintenance contract includes the following services to the Region:

- Ensures software operates in compliance with the descriptions and specifications
- Provides 24/7 telephone support, in the form of technical assistance and advice on the use and configuration of the software
- Corrects software deficiencies within the timeframe as agreed between the Region and the vendor, based on the severity of the deficiency
- Provides the Region with minor upgrades to the software at no additional charge
- Makes other generic developments, such as reports, interfaces, etc., available to the Region

The current software support and maintenance contract for Transportation Services department will be ending on December 31, 2019 and it is proposed to be combined with Community and Health Services department and extended for another five years, ending on December 31, 2024.

Transportation Services and Access York contact centres are projecting growth in the next five years and will require additional software licenses

Transportation Services and Access York contact centres are projecting growth in the number of calls managed in the next five years and will require additional staff and software licenses. The quoted cost of additional licenses is comparable to that of licenses purchased through a competitive process, considering the additional modules added and the consumer price index over the last five years.

The extension of contract for software upgrade and ongoing support and maintenance is recommended as it provides best value to the Region

The current software has been in use for over five years and due to the complexity of business needs, operational impact to changing technology, continuity of services provided to residents and financial benefits, continued use of the exiting software is recommended. Benefits and cost savings include:

- No additional cost for the licenses currently owned by the Region - The Region has 95 licenses and at the current rate of \$750 per license, the Region may be required to pay approximately \$71,250 if other software is considered
- Reduced software support and maintenance costs for additional licenses - Staff have been able to negotiate better rates for the ongoing software support and maintenance costs for additional licenses, resulting in an approximate savings of \$30,000 over a five-year period
- Operational cost savings - Staff are very conversant in using the current software and introduction of any new software system would require staff to be trained, resulting in additional costs
- The risk of operational disruption and additional staff time and costs required to implement a new software outweigh any potential cost savings through another competitive procurement

The extension of the contract with TOS Ltd. is recommended as it provides the best value to the Region. The existing software meets the current needs of the Transportation Services and Access York contact centres.

The extension of contract for software upgrade and ongoing support and maintenance will bring significant savings to the Region

In the absence of Workforce Management Software, staff would have to manually schedule the number of staff to work different shifts in each contact centre. It would not only introduce inefficiency in the scheduling process, but also require an additional two, full time employees, shared between three contact centres, at a total cost of approximately \$1 million over the next five years. The cost of extension of contract over the next five years is much lower than the staffing costs needed for scheduling contact centre staff manually.

5. Financial

A breakdown of the costs to-date and proposed for the upgrade, additional licenses and ongoing support and maintenance are summarized in Table 1.

Table 1
Software Costs To Date and Proposed for
Upgrade and Ongoing Support and Maintenance

Description	Costs to December 31, 2019 (USD)		Proposed Costs January 1, 2020 to December 31, 2024 (USD)	
	Transportation Services	Access York	Transportation Services	Access York
Software licenses	\$22,000	\$43,080	\$33,750	\$22,500
Implementation and training	93,600	49,740	-	-
Software upgrade (professional services and training)	-	-	52,187	52,187
Software support and maintenance	39,110	51,395	109,462	83,735
Total	\$154,710	\$144,215	\$195,399	\$158,422
Total proposed costs			\$353,821	

The approximate total proposed cost in Canadian currency is \$472,000, based on the Bank of Canada average exchange rate of 1 USD = 1.334 CAD for the week of April 9-15, 2019.

Due to the current economic environment, it is beneficial that the Region provides for the risk of fluctuation in exchange rate. During negotiations, TOS Ltd. indicated that, if requested, the quoted costs in Canadian currency will assume a much higher exchange rate to protect them against any fluctuation.

The costs for upgrade and software support and maintenance, are included in the Transportation Services and Community and Health Services departmental 2019-2022 business plans and budgets.

6. Local Impact

An upgrade of the existing Workforce Management software would ensure consistent and reliable customer service to York Region residents.

7. Conclusion

TOS Ltd. has been providing reliable and consistent service to Transportation Services and Community Services since initial implementation in 2013.

Staff recommends the current contract with TOS Ltd. be extended for the software upgrade, additional licenses, training services and ongoing support and maintenance in the amount of \$353,821 USD, excluding HST, for the term commencing January 1, 2020 and ending December 31, 2024.

For more information on this report, please contact Rajeev Roy, Director, Business Planning and Technology at 1-877-464-9675 ext. 75682 or Karen Antonio-Hadcock ext. 72088. Accessible formats or communication supports are available upon request.

The Senior Management Team has reviewed this report.

Recommended by: **Paul Jankowski**
Commissioner of Transportation Services

Katherine Chislett
Commissioner of Community and Health Services

Approved for Submission: **Bruce Macgregor**
Chief Administrative Officer

April 17, 2019
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