

The Regional Municipality of York

Committee of the Whole
Transportation Services
September 12, 2019

Report of the Commissioner of Transportation Services

Software Licenses, Maintenance and Contract Renewals

1. Recommendations

1. Council authorize the extension of contracts with the current vendors listed in Private Attachment 1.
2. The term and the associated costs of the contracts be authorized as outlined in Private Attachment 1.
3. Commissioner of Transportation Services be authorized to execute the contracts with the vendors for up to five years, subject to the costs being within the annual approved budget, and satisfactory performance of services provided by the vendors.

2. Summary

This report seeks Council authorization to extend the Transportation Services department-specific software licensing, software and hardware maintenance and support services contracts for up to a total term of five years.

Key Points:

- Attachment 1 in this report is private pursuant to section 239 (2) (a) of the Municipal Act, 2001 as the subject matter involves the security of Regional property.
- Section 10.1 (a) of the Purchasing Bylaw permits direct purchases where the paramount consideration is compatibility with existing equipment, facilities or service. Where the value of the direct purchase exceeds \$150,000, Council approval is required. In addition, Section 18.1(a) of the Bylaw requires Council approval, irrespective of the value of the purchase, where a direct purchase from an existing vendor results in an aggregate term greater than five years. The contracts included in this report fall into one or both of these categories.

3. Background

Department-specific Intelligent Transportation Systems software and hardware are used to deliver core services

Transportation Services uses a wide range of department-specific Intelligent Transportation Systems (ITS) software and hardware to support service delivery. These systems enable operating branches to perform specific program mandates in accordance with applicable guidelines and legislations. The systems listed in Private Attachment 1 are used to support road and transit operations, ensure security and safety of customers and assets, provide relevant travel information to customers, collect transit fares and maintain road assets and transit vehicles. This facilitates efficient delivery of program services to residents, local municipalities and business partners.

Various systems have been in use for several years and, due to the complexity of business needs and the operational impact to changing technologies, maintaining continuity is critical. While many systems cost considerably less than the financial thresholds within the Purchasing Bylaw, maintenance and support services may be provided for more than five years.

Continued use of Intelligent Transportation Systems will require Council approval under the Purchasing Bylaw

Council approval is required to award contracts under sections 10.1 (a) where the total costs exceed \$150,000. Section 18.1(a) of the Bylaw requires Council approval where the term of a proposed contract is for a period greater than five years or where the renewal or extension of a contract would result in an aggregate term of greater than five years.

Due to the ongoing nature of the maintenance and support services, the system contract renewals will exceed one or both of the thresholds of the Purchasing Bylaw.

Private Attachment 1 includes a list of department-specific Intelligent Transportation Systems contracts recommended for renewal

Staff has reviewed the existing department-specific system licenses and support and maintenance services to support service delivery. Details, including a general product description, estimated annual costs and estimated five-year total costs, for each of the 11 systems are provided in Private Attachment 1.

4. Analysis

Transportation Services requires continued licensing, software and hardware maintenance and support services for department-specific Intelligent Transportation Systems to ensure reliability and business continuity

System vendors are selected through a procurement process that carefully evaluates business requirements, technical requirements and best value for the Region.

Contracts are established during the procurement process to ensure reliability, compatibility and technical support for systems that are maintained. These contracts may include:

- Subscription services to provide user access to a specific system
- Maintenance services such as system upgrades, enhancements, security patches, corrective repairs and other bug fixes
- System enhancements to adjust to program needs or infrastructure compatibility
- Support services such as access to Help Desk support and professional services to aid in developing reports, developing interfaces with other systems and resolving deficiencies within the timeframe agreed between the Region and the vendor, based on the severity
- Hosting services to provide and maintain a dedicated environment for the system

Transition to new systems can be a costly, multi-year effort due to required activities including:

- Requirements gathering and information management planning
- Re-design of system integrations and data migration
- System quality assurance testing
- Staff training and re-training
- Business process development

Continued maintenance of Intelligent Transportation Systems is essential to effectively support delivery of departmental programs

The systems included in Private Attachment 1 continue to provide value to operating branches and are evaluated regularly to ensure they continue to meet business needs. The vendors have been providing satisfactory services to the Region.

Renewed contracts will minimize business disruptions and enable specific program mandates to be carried out in accordance with program guidelines and legislation.

5. Financial

Annual costs for software licensing, software and hardware maintenance and support services vary

The annual cost of software licensing, software and hardware maintenance and support services may vary depending on the number of users, service use, Consumer Price Index and upgrades or enhancements required to meet the evolving business needs.

The estimated total cost for each system between January 1, 2020 and December 31, 2025 that exceed the financial threshold or the five-year contract term in the Purchasing Bylaw are summarized in Private Attachment 1.

The five-year estimated total is based on continued use over the term and the calculations factor in Consumer Price Index cost adjustments and estimated change in user licensing requirements.

Actual costs for all software licensing, software and hardware maintenance and support services will be managed within the approved annual operating budget.

6. Local Impact

The Region provides many services to citizens through use of current Intelligent Transportation Systems. Changes to existing systems could negatively impact operational performance and reduce customer service levels while business processes undergo a redesign.

Continued use of established Intelligent Transportation Systems to meet required business needs will ensure timely, safe and reliable services and support effective customer service to York Region residents.

7. Conclusion

Intelligent Transportation Systems are critical to support Transportation Services in its program service delivery. The Purchasing Bylaw requires Council approval for direct purchases over \$150,000 and also where the term of a contract will exceed five years.

Renewal of the department-specific licensing, software and hardware maintenance and support services contract outlined in this report will ensure continuity and consistency in program delivery and enable staff access to systems and solutions that support operational needs and services to residents, local municipalities and business partners.

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

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

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

August 28, 2019
Private Attachment (1)
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