SUBJECT: Award of Contract C6-04-06 for Provision of Roster Candidates for Information Technology Related Services as Required (FCS06055) (City Wide)

RECOMMENDATION:

a) That RFP C6-04-06 issued for the Provision of Roster Candidates for Information Technology Related Services as Required, be awarded to the Vendors as noted in Appendix “A” attached to Report FCS06055; and

b) That the General Manager of Finance and Corporate Services be authorized to enter into an agreement with the proposed vendors for one year with an option to renew for one additional year as outlined in RFP C6-04-06.

Joseph L. Rinaldo
General Manager
Finance and Corporate Services
EXECUTIVE SUMMARY:

The requirement to quickly and efficiently utilize professional services at various stages throughout a major project or activity was a primary reason for issuing this RFP. Also, establishing a roster of candidates will ensure consistent and predictable costs for professional services that may be required over the noted period.

To remediate service and efficiency issues, the City is proposing the implementation of a Roster of Candidates for Professional Services for various assignments, for use at an enterprise level. This will improve the acquisition of professional services while reducing staff effort associated with creating and evaluating RFPs for each new service required over the proposed period. In the past, professional services were contracted for the complete duration of a major project. Now, City staff, with the knowledge and ability to manage major projects, would have the ability to contract professional services on an as required basis over the duration of the project. The intent is to use the roster candidate services within a specific project or to complete a specialized task and will not replace the services that staff currently provide on a day-to-day basis.

This initiative is being proposed for ITS contracts under $100,000.00 and the City has the sole option, as defined in the RFP, to expand the search beyond the Roster Candidates for future qualified and skilled resources. The Roster of Candidates will be managed on a category basis and the contracts will be assigned based on qualified and available resources. It is expected that resources will be utilized across the successful candidates as required.

There is no funding required to establish a Roster of Candidates. The funding for the use of the Roster of Candidates will be provided by the project or activity for which professional services are required. Since the PeopleSoft Upgrade project in 2002, costs for professional services have increased. However, the Roster of Candidates being proposed will result in reduced or equal rates for the same services. For example, the maximum rate provided for functional or technical services in the Roster RFP is $171.00 per hour versus $190.00 per hour in 2002, while the project manager rate of $225.00 per hour has been maintained. The rates for professional services are in effect for the length of the agreement.

RFP C6-04-06 (for Provision of Roster Candidates for Professional Services Required for Various Category Assignments for Information Technology Related Services as Required) was issued on February 3, 2006, and closed on February 20, 2006. There were submissions from 9 respondents across the 7 categories. The unsuccessful respondents are listed in the Unsuccessful Vendors by Category Table in Appendix “A” to FCS06055.
The expected benefit to the City from the Roster of Candidates will be:

- Project Efficiency - improved planning and timely completion of projects due to the ability to schedule and acquire professional services in a more efficient manner;
- Professional Services Costs – firm professional services fees for the term of the contract;
- Staff Time – reduced time required to create and evaluate multiple RFPs for professional services; and
- Knowledge Transfer – the transfer of knowledge to City staff from professional services resources who have the ability to apply new techniques and software on other assignments.

BACKGROUND:

The main objective for developing a Roster of Candidates for Professional Services is to assist the City of Hamilton on an as required basis with major PeopleSoft upgrades, with database enhancements and other projects requiring specialized expertise. The professional services may be required to complete tasks such as, but not limited to, fit/gap analysis, database development, high volume programming and project management. Each specific task performed by a roster candidate will involve the transfer of knowledge related to the task, thereby increasing the skills of City staff. In the past, professional services were contracted for an entire project to assist with the noted tasks. Now, City staff has the knowledge and the ability to perform all the tasks in the various projects and to plan when to best utilize and manage the professional services required to assist with specific tasks over the duration of a project. Since the Roster of Candidates is available, no additional RFPs are required to obtain professional services. However, the City does retain the option to issue a separate RFP if the vendors in the Roster of Candidates are unable to provide the qualified and skilled resources when scheduled.

The secondary objective for developing a Roster of Professional services is to establish fixed costs for qualified professional services over the term of the agreement. As has been noted above, the costs for professional services have increased since 2002. However, the responses to RFP C6-04-06 will result in reduced rates or will at least maintain the rates at the 2002 levels. For example, the maximum rate provided for functional or technical services in the Roster RFP is $171.00 per hour versus $190.00 per hour in 2002, while the project manager rate of $225.00 per hour has been maintained at the 2002 rate. The rates for professional services are in effect for the length of the agreement. The use of roster services will permit staff to more effectively manage the professional services required for particular initiatives thereby potentially reducing the overall cost of a project or major activity.

It is noted that not all proposed Vendors have the lowest rate for professional services in the categories. The successful Vendors were selected based on their qualifications and ability to meet corporate requirements.
RFP C6-04-06 was issued by Purchasing on February 3rd, 2006, and closed on Monday, February 20th, 2006. The RFP was comprised of seven (7) categories:

Category 1: PeopleSoft Human Capital Management (HCM or HR/Payroll) Functional Services;
Category 2: PeopleSoft Finance Supply Chain Management (FSCM) Functional Services;
Category 3: PeopleSoft Enterprise Performance Management (EPM) Functional Services;
Category 4: PeopleSoft Technical Services;
Category 5: Database Services;
Category 6: ITS Technical Services (non-PeopleSoft Related); and
Category 7: Project Management Services.

**ANALYSIS/RATIONALE:**

The evaluation process involved a review and scoring of the nine (9) Vendors who submitted responses. Each candidate was required to meet a set of mandatory criteria and subsequent evaluations were based on the following:

- **Corporate (20%)** Utilized to evaluate the corporation with respect to activities, strategies and previous contracts at the municipal level across the various categories;
- **Qualifications (60%)** Utilized to evaluate the corporation and individuals with respect to skills, experience, software and hardware knowledge used across the various categories;
- **Cost (15%)** Utilized an average cost calculation for the vendors within each category;
- **Minimum Score (70%)** Utilized as a passing grade to proceed to the references and remain a viable candidate for the Roster; and
- **References (5%)** Utilized to evaluate results of vendor reference checks.

**ALTERNATIVES FOR CONSIDERATION:**

An alternative to the recommendations in this report would be to issue multiple Request for Proposals for every project that would be in line with the Rostered category assignment. This option would require additional staff time and expense to complete the process.
FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

Financial:
There is no cost implication related to the recommendations in this report. The costs will be incurred when the various projects and activities that require professional services are identified. Plans provided will indicate the skill and timeline requirements.

The quotes and assignments will be managed according to the policies established for the consultant roster in Public Works. The ITS Roster Captain will provide a quarterly usage report to Purchasing.

Staffing:
No staffing issues.

Legal:
The recommendations in this report have no Legal implications.

POLICIES AFFECTING PROPOSAL:
The recommendations of this proposal comply with Purchasing Policy #4, Policy for Approval Authority.

RELEVANT CONSULTATION:
Staff from City of Hamilton Financial Services, Purchasing, Human Resources and Information Technology Services participated in the RFP development and evaluation process.

CITY STRATEGIC COMMITMENT:
Completion of this Project will strategically place Hamilton in a leadership role to complete projects and activities that require qualified and skilled professional services.

The implementation of this Project will work towards:

- A City of Growth and Opportunity – attracting business and economic development through easy and speedy access in Information Technology Services.
- A Great City in Which to Live – quality services that residents can rely on through efficient use of professional services.
- A City That Spends Wisely and Invests Strategically – increase the efficiency of our city government in a manner consistent with a commitment to maintaining service levels and seeking best value.
By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. ☑ Yes ☐ No
Through improved management of projects requiring professional services and reduced staff effort in acquiring such services.

Environmental Well-Being is enhanced. ☐ Yes ☑ No

Economic Well-Being is enhanced. ☐ Yes ☑ No

Does the option you are recommending create value across all three bottom lines?
☐ Yes ☑ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants?
☑ Yes ☐ No
Staff will acquire the resources they need to deliver projects in a timelier manner and continue to enhance and develop their skills in the process.
APPENDIX “A”

Information Technology Services
Roster Candidates

Successful Vendors by Category

<table>
<thead>
<tr>
<th>Category #1 HCM Functional</th>
<th>Category #2 FSCM Functional</th>
<th>Category #3 EPM Functional</th>
<th>Category #4 PeopleSoft Technical</th>
<th>Category #5 Database Services</th>
<th>Category #6 Technical (non-PeopleSoft)</th>
<th>Category #7 Project Manager</th>
</tr>
</thead>
<tbody>
<tr>
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<td>BTRG Inc.</td>
<td>BTRG Inc.</td>
<td>Deloitte &amp; Touche</td>
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<tr>
<td>Katalogic Inc.</td>
<td>Spyre Solutions</td>
<td>Spyre Solutions</td>
<td>Giffels</td>
<td>Procom</td>
<td>Spyre Solutions</td>
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<td>Spyre Solutions</td>
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<td></td>
<td>Solutia</td>
<td>Working World</td>
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Unsuccessful Vendors by Category

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<th>Category #1 HCM Functional</th>
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