

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON JANUARY 10, 2017
FROM:	LYNNE LIVINGSTONE MANAGING DIRECTOR, NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES
SUBJECT:	RFP16-52 MICROSOFT DYNAMICS CRM IMPLEMENTATION PARTNER 2017 - 2019

RECOMMENDATION

That, on the recommendation of the Managing Director, Neighbourhood, Children and Fire Services, the following actions **BE TAKEN** with respect to the award of the work outlined in Request for Proposal (RFP) 16-52 Microsoft Dynamics Customer Relationship Management (CRM) Implementation Partner 2017 – 2019 of Phases Three, Four and Five:

- a) The proposal submitted by PricewaterhouseCoopers LLP, 18 York Street, Suite 2600, Toronto, ON M5J 0B2 for the provision of services with respect to Microsoft Dynamics CRM Implementation Partner Phase Three at their proposed fees of \$245,016.00 excluding HST, **BE ACCEPTED**;
- b) Microsoft Dynamics CRM Implementation Partner Phase Four (2018) and Phase Five (2019) be awarded to PricewaterhouseCoopers LLP and that Civic Administration **BE DIRECTED** to negotiate acceptable pricing for Phase Four and Five upon successful completion of Phase Three to the satisfaction of the Managing Director, Neighbourhood, Children and Fire Services and be contingent upon Council approval;
- c) The financing for the project **BE APPROVED** in accordance with the “Sources of Financing Report” attached hereto as Appendix “A”;
- d) That Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project;
- e) Approval herein given **BE CONDITIONAL** upon the Corporation entering into a formal agreement or having a purchase order, or contract record relating to the subject matter of this approval; and,
- f) The Mayor and City Clerk **BE AUTHORIZED** to execute any contract, statement of work or other documents, if required, to give effect to these recommendations.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- Reports to Strategic Priorities and Policy Committee, October 29, 2012, December 4, 2012, December 16, 2013, April 14, 2014;
- Report to Corporate Services Committee, August 26, 2014; and
- Report to Corporate Services Committee, November 3, 2015.

BACKGROUND

Purpose

The purpose of this report is to seek approval from Committee and Council to award PricewaterhouseCoopers LLP at the proposed fees, a contract for the implementation and support of Phase Three of our Service London CRM project through a RFP process.

In addition, the purpose of this report is to seek approval from Committee and Council to renew the contract for follow up phases Four and Five based on, but not be limited to, prior performance, successful milestone achievement, value added attributes, pricing, and assessment of a Statement of Work (SoW).

Background

Council's 2015-2019 Strategic Plan for the City of London identifies 'Leading in Public Service' as a strategic area of focus. This strategic area of focus includes the strategy 'excellent service delivery' under which the Service London Implementation Plan is referenced.

The City of London provides nearly 100 services that Londoners rely on, and thousands of transactions to customers each year. The Service London Implementation Plan includes critical improvements to service delivery, and will significantly improve customers' experiences with the City of London.

CRM software is a key component of Service London and the backbone of our drive to modernize and integrate all customer service channels (online, telephone, in person). In addition CRM software standardizes the customer experience through automated workflow (create, assign and track service requests) and houses a robust information database that provides call-takers with consistent and current information about our services. This allows us to provide customer experiences that are simple, consistent and accountable.

Phase One was implemented in 2015, Phase Two was implemented in 2016; both of these phases were successful, all milestones and deliverables were achieved and were delivered on time and on budget. There are now upwards of 170 Service Requests across seven (7) Business Units in CRM.

Discussion

The City is applying a multi-phased approach to the implementation of Microsoft Dynamics CRM. Phase Three, Four and Five will continue to build on previous successes by leveraging technical achievements in service request functionality, associated application integrations, and custom coding realized in Phases One and Two. The vendor will be involved in all service request areas, from start to post go-live support which includes the following:

- Project management;
- Technical and functional consulting (information and service requests, knowledge base, GIS/ESRI integration, testing, pilot deployment, pilot support);
- Training; and,
- Other considerations, including assisting in developing a roadmap to extend the solution to accommodate future phases.

It is estimated that Phase Three of this project will conclude in June, 2017. In order to meet this tight schedule, the Service Area involved in Phase Three (Environmental & Engineering Services) has already begun a number of pre-project tasks related to knowledge base article/script development and process mapping. This upfront work is key to meeting the overall project timelines of implementation in the first half of 2017. Phases Four (2018) and Five (2019) will be extensions of the work completed in previous phases.

Purchasing Process

A formal RFP was issued in October, 2016 to source qualified Microsoft Dynamics CRM software professionals to continue with the implementation of Phase Three of the CRM system, Microsoft Dynamics commencing in January 2017; Phase Four in 2018 and Phase Five in 2019. The scope of the RFP included resources to provide project management, technical and functional consulting, training and other requirements.

A two-envelope RFP process was employed, one containing the technical proposal and the second containing the firms' price and fees for the work. Three (3) submissions were received and were reviewed and assessed by an evaluation team with representation from Neighbourhood, Children and Fire Services, Parks and Recreation Services, Information Technology Services and Finance and Corporate Services.

The evaluation followed a three stage process:

- Stage 1: Technical Requirements and Proponent Examination;
- Stage 2: Presentation and Interview Appraisal; and
- Stage 3: Financial Proposal Assessment.

The proposal submission from PricewaterhouseCoopers LLP was the overall highest-scoring proponent which met the noted evaluation criteria, all terms, conditions, specifications and requirements, displayed an understanding of the work, possessed the technical expertise required and was the lowest cost proposal submitted for Phase Three. It is recommended that PricewaterhouseCoopers LLP be awarded this contract.

Acknowledgements

The Evaluation Team consisted of Lori Kolodiazny, Finance & Corporate Service, John Nolan, Neighbourhood, Children & Fire Services, Scott Stafford, Parks & Recreation Services, Dean Thompson, Finance & Corporate Services and Chris Ginty, CPPB, Procurement Officer, Purchasing and Supply.

PREPARED BY:	REVIEWED AND CONCURRED BY:
JOHN NOLAN, MANAGER, SERVICE LONDON	ANNA LISA BARBON, CPA, CGA DIRECTOR, FINANCIAL SERVICES
RECOMMENDED BY:	
LYNNE LIVINGSTONE, MANAGING DIRECTOR, NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES	

- c: Mat Daley, Director, Information Technology Services
- John Freeman, Manager, Purchasing & Supply
- Chris Ginty, Procurement Officer, Purchasing & Supply

APPENDIX 'A'

Chair and Members
Corporate Services Committee

#16193
December 2, 2016
(Award Contract)

**RE: Microsoft Dynamics CRM Implementation Partner 2017-2019 - RFP16-52
(Subledger CP160016)
Capital Project GGSERVLN1604 - Service London - Phase 3
PricewaterhouseCoopers LLP - \$245,016.00 (excluding H.S.T.)**

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCE OF FINANCING:

Finance & Corporate Services confirms that the cost of this project can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Managing Director, Neighbourhood, Children and Fire Services, the detailed source of financing for this project is:

	Approved Budget	Committed To Date	This Submission	Balance for Future Work
<u>ESTIMATED EXPENDITURES</u>				
<u>GGSERVLN0000-Service London</u>				
Engineering	\$221,725	\$220,061		\$1,664
Construction	42,050	35,507		6,543
Computer Equip. - CRM Implementation (Phase 3)	249,328		249,328	0
Balance of City Related Expenses Available	1,401,897	1,164,459		237,438
NET ESTIMATED EXPENDITURES	<u>\$1,915,000</u>	<u>\$1,420,027</u>	<u>\$249,328</u> 1)	<u>\$245,645</u>
<u>SOURCE OF FINANCING:</u>				
Debenture Quota	\$537,000	\$537,000		\$0
Drawdown from City Facilities Reserve Fund	15,000	15,000		0
Efficiency, Effectiveness & Economy Reserve - CRM Implementation (Phase 3)	1,363,000	868,027	249,328	245,645
TOTAL FINANCING	<u>\$1,915,000</u>	<u>\$1,420,027</u>	<u>\$249,328</u>	<u>\$245,645</u>

**GGSERVLN1604
PHASE 3**

Financial Note:
1) Contract Price
Add: HST @13%
Total Contract Price Including Taxes
Less: HST Rebate
Net Contract Price

\$245,016
31,852
<u>276,868</u>
27,540
<u>\$249,328</u>

JG

Alan Dunbar
Manager of Financial Planning & Policy