

NO: R218

COUNCIL DATE: October 3, 2016

REGULAR COUNCIL

TO: Mayor & Council **DATE:** September 9, 2016

FROM: General Manager, Parks, Recreation and Culture **FILE:** 8000-01

SUBJECT: Award of Contract No. 1220-030-2016-005 Parks, Recreation & Culture Management Software System Replacement Project

RECOMMENDATIONS

The Parks, Recreation and Culture Department recommends that Council:

1. Approve the award of a five (5) year Contract, as generally described in this report, to PerfectMind in the amount of \$1,633,000, including applicable taxes for the Parks, Recreation and Culture Management Software System Replacement Project (the “Contract”);
2. Set the expenditure authorization limit, including contingency and applicable taxes for this Contract at \$1,796,000; and
3. Delegate the authority to the General Manager, Parks, Recreation and Culture Department, to execute a five (5) year Contract including Contract amendments and execute up to three 3-year optional extensions (for a maximum total of an additional nine years) in favour of the City, subject to satisfactory performance and any other related considerations by PerfectMind to a maximum amount of \$260,000, including contingency and all applicable taxes per year.

BACKGROUND

Each year, the Parks, Recreation and Culture Department (PRC) offers a multitude of services to the Surrey Community through its registered programs, memberships, drop-in admissions and facility rentals. In 2015, these services amounted to over \$25 million in revenue and 3.3 million visits at various Parks, Recreation and Culture facilities.

Since 1997, the City of Surrey has been using CLASS, a recreation management system, to track all aspects of these services. In December 2017, the vendor of CLASS, The Active Network Inc., will no longer support this system, thus forcing the City to find a replacement. Since CLASS has been the industry leader in Recreation Management Software, almost all municipalities in Canada have to find an alternative to CLASS.

DISCUSSION

It is expected that the new recreation management system (System) will serve the City for the next five to ten years. An evaluation team was formed to oversee the selection process with a view to balancing the objectives of acquiring a technology platform that will enable best business practices for the City with cost of ownership and overall timeframe for implementation.

The following groups were involved in the selection process:

- A Steering Committee, which is responsible for the overall management of the project, the timeline, the resources, costs and deliverables, includes:
 - General Manager, Parks, Recreation and Culture;
 - Community and Recreation Services Division Manager;
 - Community and Recreation Services Business Operations Manager
 - Director of IT;
 - IT Application Services Manager; and
 - IT Manager of Strategic Projects.

- A Selection Committee, which was responsible for establishing projects deliverables, review of vendor proposals and demonstrations, reference site visits and making recommendations with respects to preferred vendors proposal and related software package and implementation services. The Selection Committee consists of:
 - PRC Functional Application Analysts;
 - IT Application Analysts;
 - IT Project Manager; and
 - IT Architect.

- An Evaluation Team, which serves as an extension of the Selection Committee, included over 50 individuals from the City's major business stakeholders. The Evaluation team was involved in the development of the Proposal requirement, the development of demonstrations scripts and the evaluation of vendor presentations. The Evaluation Team consists of:
 - PRC Subject Matter Experts;
 - IT Subject Matter experts; and
 - Finance Subject Matter experts.

Procurement and Evaluation Process

In recognition of the strategic value of the Parks, Recreation and Culture Management System, the Steering Committee established 11 criteria to guide the evaluation process. These evaluation guidelines are as follows, in strategic importance:

1. Client Ease of Use: Community Members can use the system easily, any time, including mobile devices;
2. Ability to Integrate: The System can be used in conjunction the City's current infrastructure, including FMS, identity management and building automation systems;

3. Ability to Innovate: The System’s functionality can be enhanced, by City staff or by the Proponent, to meet community needs;
4. Current Functionality: The System’s functionality can support today’s service delivery;
5. New Functionality: The System provides new functionality to support today’s emerging service delivery needs;
6. Project on Time: The System can be implemented before 2018;
7. Project on Budget: The System can be implemented within the allocated replacement reserve;
8. City Staff Ease of Use: City staff can easily learn and use the system;
9. Vendor Reputation: The Proponent provides excellent, reliable service;
10. System Used in Other Municipalities: The System is used by many comparable municipalities; and
11. Vendor Functionality Roadmap: The Proponent has a strong functionality roadmap.

On January 6, 2016, a public competitive procurement process was undertaken which resulted in the City receiving a total of 4 Proposals.

Proposals	System Type	Implementation Services
Active Network	Software as a service	Yes
Intelligenz Solution	City Hosted	Yes
Legend	Software as a service	Yes
PerfectMind	Software as a service	Yes

The project team followed a three-step process in evaluating these Proposals. This process is described in more details in the following paragraph.

Step 1 – Technical, Functional and Costs Evaluation

The Proposals that were received were evaluated on four dimensions:

- Technical: 200 technical requirements were evaluated from each Proposal. These requirements ensure the system would be technically secure, scalable and implementable;
- Functional: 400 functional requirements, representing all service delivery aspects were evaluated. These requirements ensure the system’s functionality would be valued by Surrey’s community members and City staff; and
- Costs: The overall software acquisition, including its implementation was assessed using a 5-year total cost of ownership framework. This framework examined the front end costs to implement the software (software licences, implementation services, training and full-time City staff), the ongoing external costs to support the software (vendor maintenance and upgrades) and the ongoing internal costs to sustain the software and its functionality (City staff, servers and infrastructure).

Step 2 – Scripted Demonstrations

The Evaluation team developed scripted demonstration scenarios, based on the Steering Committee’s strategic requirements. Proponents demonstrated their software over three-day sessions.

Over 50 City staff participated in the evaluation of the scripted demonstrations. These staff represent all stakeholders of the system (PRC Department, IT Division, and Finance Division) and its functionality (registered programs, memberships, drop-in admissions and facility rentals).

Step 3 – Customer Interviews

The Selection Committee conducted reference checks with several other comparable public sector entities to gain insight into their experience and satisfaction levels with the subject vendors and their related software products.

Result of the Evaluation Process

Throughout the evaluation process, PerfectMind has demonstrated to provide the most value to Surrey with all the necessary functionality to carry out existing and future services. Staff were most impressed by the system's ability to allow for community members to access services online and through mobile devices. Their proposed system is secure, scalable and reliable. PerfectMind is a privately held local company, based in North Vancouver which bodes well for ongoing services over time. All references speak positively about the PerfectMind product.

Based on the overall evaluation, the evaluation team concluded that the proposal submitted by PerfectMind best met the City's requirements and provides best overall value to the City.

Financial Considerations

The Contract price is \$1,633,000, including applicable taxes, over the initial five (5) year term of the Contract. The IT replacement reserve budget has sufficient allocation to cover the cost of this contract.

The recommended term of the Contract is five (5) years, with the option to extend for an additional three (3) three 3-year terms.

SUSTAINABILITY CONSIDERATIONS

The City's Parks, Recreation and Culture Management Software System is a significant aspect of the Department's service delivery infrastructure; it streamlines the planning and delivery of Registered Programs, Passes, Admissions and Rentals to the Surrey Community. The replacement of the aging CLASS Recreation Management System with PerfectMind will support the objectives of the Sustainability Charter 2.0, specifically:

- Health and Wellness DO: Surrey has a full range of high quality, community based health and social services and programs that address health and wellness.
- Inclusion DO: The Recreation Management System has functionality to support low-income families with access to recreation through the Leisure Access Program. It also supports access to all people, including those with disabilities.
- Economic Prosperity and Livelihood DO: The Recreation Management System supports rental use of Parks, Recreation and Culture facilities, which can provide City prosperity through employment and Sport Tourism.
- Infrastructure DO: With the strong focus on community member digital engagement, the Recreation Management system helps preserve the environment by paper consumption by residents and staff.

- Education and Culture DO: The Recreation Management System supports the enrolment of children and youth in various programs, including Preschool, After School, Arts and Culture

CONCLUSION

The PerfectMind Parks, Recreation and Culture Management System will provide the City with the overall best value and opportunity for future growth and technology enhancements. The system will manage our City's growing parks, recreation and cultural opportunities and enhance community engagement.

Laurie Cavan
General Manager
Parks, Recreation and Culture Department