
DATE: August 20, 2011

REPORT TITLE: **ENTERPRISE SERVICE BUS MIDDLEWARE TOOL, TECHNOLOGY, SOLUTION, PROFESSIONAL SERVICES AND SUPPORT DOCUMENT 2011-194P**

FROM: R. Kent Gillespie, Commissioner of Employee and Business Services

RECOMMENDATION

That the contract (Document 2011-194P) for the supply of an Enterprise Services Bus Middleware Tool, including the initial installation of the software, support and professional services be awarded to Software AG (Canada) Inc. in the estimated amount of \$500,000 (excluding applicable taxes), under Capital Project 10-7590 in accordance with Purchasing By-law 63-2008;

And further, that authority be granted to extend the contract upon successful installation of the software, for two optional 12 month periods for annual maintenance and support in the estimated amounts of \$23,335 (excluding applicable taxes);

And further, that the Commissioner of Employee and Business Services be authorized to execute the required agreements and statement(s) of work, with Software AG (Canada) Inc., together with such further documents that may be required.

REPORT HIGHLIGHTS

- The project to implement an enterprise services bus to integrate computer systems allows the Region of Peel to increase business efficiency and achieve cost savings by shared functions and shared data among multiple computer systems and to increase accuracy and timeliness of services to the public.
- This investment was included in the 2010 approved capital budget under capital project number 10-7590.
- Request for Proposal 2011-194P was competitively bid and Software AG (Canada) Inc. is recommended for award.

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DISCUSSION

1. Background

Computer technology has become essential to the delivery of municipal services. Many computer technology needs are often designed, acquired and implemented in relation to specific service areas to meet specific service requirements. This has resulted in computer applications which in some cases perform similar functions but are not able to share information resulting in greater operating costs to maintain and operate. For example there is a human resources system, a payroll system and a budget system that stores employee data requiring duplicate input and verification of data.

Another example occurs in the course of delivering many different Regional services to the public through call centres, service counters and the internet. In addition to the computer application that supports the call centres and other points of customer contact, there are other computer applications that perform functions in the chain of service delivery that require the information from the point of contact. For example, if a resident calls about their water bill or to register for a prenatal class or a Transhelp ride, there are three different computer applications that support those services and must be accessed to deliver that service.

There are generally two strategies for reducing the cost of maintaining and operating multiple computer systems or applications. The first is to reduce the number of computer systems and applications by finding applications that can serve more than one regional service on an enterprise wide basis. Staff are pursuing that strategy, however, sometimes different systems are still required for specific services. The second strategy is to connect or "integrate" computer systems so that they can share information as much as possible. This avoids the cost of maintaining duplicate sets of data and can shorten service delivery times as one system can initiate the operation of another system which can then report back on the status of the service request to the first system.

The Enterprise Services Bus (ESB) technology referred to in this report provides a means of connecting or integrating computer systems as described in the second strategy above. It acts as a general purpose link that can be used to integrate existing systems and those that may be required in the future. This solution has been adopted by other municipalities with similar requirements including the Cities of Mississauga and Brampton. The investment in this technology will result in significant efficiencies and enable staff to be more productive in delivering service to the public. This investment was included in the 2010 approved capital budget under capital project number 10-7590.

2. Procurement Process

The Region issued a Request for Proposal (RFP) to engage a Vendor for Enterprise Services Bus Middleware Tool, Technology, Solution, Professional Services and Support.

The Region issued RFP Document 2011-194P on May 10, 2011 and it was publicly advertised in the Toronto Star as well as the Region of Peel's and Ontario Public Buyers Association's Internet sites. This document was issued to 24 vendors with seven compliant submissions received on the closing date of June 15, 2011, from the following vendors; CGI Information Systems and Management Consultants Inc., CM Inc., Fiorano Software Inc.,

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Hewlett Packard (Canada) Co., IBM Canada Ltd., Information Builders (Canada) Inc. and Software AG (Canada) Inc..

The proposals are submitted in two parts: the first being the technical component and the second the financial component. The Evaluation Team reviewed the submissions in accordance with set criteria, including an evaluation by Legal Services of each vendor's proposed changes to the Agency's terms and conditions. The evaluation criteria includes vendor profile, proposed technical and implementation approach, functional requirements, technical requirements, compliance with Agency's terms and conditions, vendor demonstration of the proposed solution and estimated cost to complete the assignment. The five highest scoring vendors were shortlisted to demonstrate their proposed solution.

Upon completion of the technical demonstration, only two vendor submissions were deemed best qualified to meet the needs of the Agency and entered into the second phase of the evaluation where the purchasing representative opened their financial proposals and completed the financial analysis. The scores were then combined and the overall ranking determined.

The evaluation summary is as follows:

Vendor Name and Location	Technical (80 per cent)	Financial (20 per cent)	Price Submitted	Overall Ranking
Software AG (Canada) Inc. Toronto, ON	1	1	\$517,227.32	1
IBM Canada Ltd. Markham, ON	2	2	\$1,166,266.00	2

The proposal submitted by Software AG (Canada) Inc. received the highest score when assessing the combination of technical proficiency and price. The vendor demonstrated a thorough understanding of the assignment, proposed a comprehensive project approach and presented an experienced project team. The staff evaluation committee has concluded that the proposal submitted by Software AG (Canada) Inc. provides the best overall value to the Region.

Upon Peel Regional Council approval an acceptable agreement and statement(s) of work for the provision of the ESB will be executed including professional services and maintenance. Staff is seeking approval to extend the contract with Software AG (Canada) Inc. for two optional 12 month periods for annual maintenance and support following successful installation of the software.

FINANCIAL IMPLICATIONS

Sufficient funding is available under Capital Budget, Dept. ID: 10-7590.

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CONCLUSION

The project to implement an enterprise services bus to integrate computer systems allows the Region of Peel to increase business efficiency and achieve cost savings by shared functions and shared data among multiple computer systems and to increase accuracy and timeliness of services to the public. This investment was included in the 2010 approved capital budget under capital project number 10-7590. Request for Proposal 2011-194P was competitively bid and Software AG (Canada) Inc. is recommended for award.



R. Kent Gillespie
Commissioner of Employee
and Business Services

Approved for Submission:



D. Szwarc, Chief Administrative Officer

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