

MEETING DATE: October 31, 2001

SUBJECT: Purchase Authorization - Divisional Operations Support System (DOSS) - Comprehensive Systems Design

RECOMMENDATION

It is recommended that the Commission authorize the award of a contract to Multisystems Inc. in the upset limit amount of \$600,000 for a Comprehensive Systems Design of the Divisional Operations Support System.

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FUNDING

Sufficient funds for the 2001 expenditure are available under project 7.1 – Computer Equipment and Software as set out in the 2001-2005 Capital Program. The anticipated final system costs have been incorporated into the proposed 2002 – 2006 Capital Program submission.

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BACKGROUND

A system known as "ATOS" (Automated Transit Operator System) was purchased by the Commission in 1991. ATOS provides functionality for Workforce Tracking and certain aspects of Divisional Operations including Sign-Up and Vacation Selection. At the time of installation significant problems occurred affecting the overall functionality of the system and as a result it does not address the need for standardized administrative procedures, along with consistency and improved control, quality, accuracy and timely information.

Technologically, it is dated, and uses an unsupported proprietary programming language for which technical assistance is not available. Functionally the system is lacking the basic components necessary to support both Operations and Finance relative to complete Workforce requirements, Daily Divisional Operations, Daily Payroll and Performance Monitoring capabilities.

It is necessary to replace the current ATOS system with an updated system that will use current technology and will also provide the functionality of:

- Streamlining Transportation Divisional administrative functions
- Automating the collection of data and creation of records
- Providing timely reporting and access to information; and
- Capturing Operators payroll information.

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DISCUSSION

A Request for Proposals (RFP) was publicly advertised in the June 4, 2001 weekly American Passenger Transport Association (APTA) publication and was also advertised on the M&P Web Site for the duration of the proposal period. Eight (8) companies requested copies of the proposal documents out of which two (2) companies submitted proposals.

An evaluation team comprised of staff from Information Technology, Support Services, Surface Transportation, Finance and Materials and Procurement departments reviewed and evaluated the proposals based on predetermined weighted criteria. Following the initial evaluation of the submissions, each company provided a demonstration of their proposed system. At the conclusion of the evaluation, Multisystems proposal was considered the best overall and ranked the highest in all aspects of the evaluation criteria which included technical requirements, user functionality and the project schedule offered.

To appropriately evaluate the degree of customization required for the package software to meet the operational requirements and to confirm project costs, a Comprehensive Systems Design is essential. Upon the completion of the Comprehensive Systems Design (Phase 1), it is estimated that costs ranging from \$2,291,046 to \$3,655,554 will be required to implement the final package. Staff will be returning to the Commission to seek approval for the final required amounts for Phase 2 once the Comprehensive Systems Design is complete

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JUSTIFICATION

The current operations system (ATOS) is antiquated, problematic and is difficult to maintain and support. There is no vendor support and systems support is limited to a single independent contractor. As a result, the application is not kept current with business changes. Staff recommend that it be replaced with a new expanded system, on a standard supported technological platform, that will facilitate the elimination of labour intensive activities; act as a payroll front end data capture system; increase productivity; and significantly reduce labour costs.

Investigations indicate that the complete implementation would result in a reduction of Operations staff by eleven (11) positions, and an increase in Information Technology

staff by one (1) position, representing a net annual operating savings of approximately \$580,000.

Should the DOSS project not proceed, there remains an ongoing need to address both the technical limitations of the current system and the requirement for a Payroll Front End Data Capture System. Initial estimates suggest that the capital costs associated with developing the equivalent functionality of the existing ATOS application would be approximately \$4,300,000, while the custom development of an operator payroll front end would be an additional \$4,100,000. Should the DOSS project not proceed, these two independent projects will be needed over the next few years.

October 23, 2001

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Appendix A - Summary of Proposals

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ATTACHMENT 'A'
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**LIST OF PROPOSALS RECEIVED FOR
DIVISIONAL OPERATIONS SUPPORT SYSTEM (DOSS)**

COMPANY	<u>TOTAL PROPOSAL PRICE</u>
Multisystems, Inc.*	Phase 1 \$ 600,000 CDN Phase 2 \$3,655,554 CDN (maximum)
<u>Trapeze</u>	\$5,541,464 CDN

*** Recommended for award**

Evaluation Criteria

Corporate Summary

- Qualifications
- Relevant Experience

Project Management

- Project Schedule
- Project Resources

Methodology – Business Requirements

- Technical Requirements
- User Functionality

Proposal Submission

- Approach
- Quality