




CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Customer Service, POA and Financial Integration Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	June 20, 2024
SUBJECT/REPORT NO:	Request to Single Source Professional Implementation Services for a Point-of-Sale Solution to Replace Legend (Excluding Recreation and Culture) (FCS24037) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Cindy Mercanti (905) 546-2424 Ext. 2654 Sheila DuVerney (905) 546-2424 Ext. 7659
SUBMITTED BY:	Mike Zegarac General Manager, Finance and Corporate Services Corporate Services Department
SIGNATURE:	

RECOMMENDATION(S)

- (a) That pursuant to Procurement Policy #11 – Non-competitive Procurements, Council approves the single source procurement of professional implementation services for a Microsoft Point of Sale solution and that the General Manager, Corporate Services, or their designate, be authorized to negotiate, enter into and execute a contract and any ancillary documents required to give effect thereto with Visionet Systems Inc., in a form satisfactory to the City Solicitor;
- (b) That the General Manager, Corporate Services, or their designate, be authorized to amend any Contract executed and any ancillary documents as required if the vendor identified in Report FCS24037 undergoes a name change, in a form satisfactory to the City Solicitor; and
- (c) The negotiated contract cost be publicly reported in the applicable quarterly status report for Emergency and Non-competitive Procurements.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

EXECUTIVE SUMMARY

A point of sale (POS) is where a customer executes the payment for goods or services. The City of Hamilton (City) uses a few solutions to capture payment information, including the end-of-life Legend POS software. In 2023, the Information Technology Division organized an extensive engagement to collect requirements from stakeholders to conduct a gap / fit analysis and make recommendations for replacing the City's Legend POS software. Based on those recommendations, the 2024 budget process included the capital to replace Legend POS (excluding Recreation and Culture), which was approved.

Council approved Microsoft as the platform of technologies pursuant to Procurement Policy #14 per Report FCS23093 / CM23019.

Due to the cybersecurity incident, a Procurement Policy #11 was approved in March 2024 and provided staff with the authority to interview and evaluate two Microsoft recommended technical partners. The outcome of the interview and evaluation process was to select a technical partner that would provide professional services to design, build, test and launch a point-of-sale solution based on Microsoft.

The purpose of Report FCS24037 is to seek Council's approval to negotiate a contract for professional implementation services with Visionet Systems Inc. (Visionet) to design, build, test and launch a point-of-sale solution based on Microsoft.

Alternatives for Consideration – See Page 4

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The estimated cost of the professional implementation services is \$400,000, which is funded by Capital Project 3452457002. Integration with the enterprise financial system is not included in the funding, however, will need to be addressed later.

Staffing: Major stakeholders across City departments support the transition.

Legal: The statement of work for Visionet will be reviewed and approved by the City Solicitor.

HISTORICAL BACKGROUND

A POS is where a customer executes the payment for goods or services. The City uses a few solutions to capture payment information, including the end-of-life Legend POS software. The Legend vendor provided notice for the end of support for Canada as of December 31, 2023 and a freeze on Canadian development effective January 2, 2024. The Legend vendor has also advised the City that elements of the existing Legend POS software will reach the end-of-life by the end of Q1 2025. Based on this notification and to maintain stability, security and support, the City sought a replacement.

In 2023, the Information Technology Division organized an extensive engagement to collect stakeholder requirements, to conduct a gap / fit analysis and recommend a replacement. Based on those recommendations, the 2024 budget process included the capital to replace Legend POS (excluding Recreation and Culture), which was approved.

Council approved Microsoft as the platform of technologies under Procurement Policy #14 per Report FCS23093 / CM23019.

Given that the Legend vendor has advised the City that elements of the existing software will reach the end-of-life by the end of Q1 2025, a Policy #11 was approved and executed in March 2024, providing for the interview and evaluation of two Microsoft recommended technical partners. The outcome of the interview and evaluation process was to select a technical partner that would provide professional services to design, build, test and launch a point-of-sale solution.

Staff requests approval to negotiate a contract with Visionet to deliver a solution that meets the City's requirements and timelines.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Report FCS24037 is in accordance with the City of Hamilton's Procurement Policy and associated By-Law 20-205 as amended, whereby Procurement Policy #11 – Non--Competitive Procurements, Section 4.55, requires Council to approve any single--source request \$250,000 or greater.

RELEVANT CONSULTATION

City staff collected business requirements from 13 business units currently using Legend POS, excluding Recreation and Culture, and provided completed business requirements to five non-Legend POS business units to review and consider their POS requirements.

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The 13 City businesses currently using the Legend POS software that participated in the requirements gathering process were Animal Services, Building, Planning, Committee of Adjustment, Engineering Services, Growth Management, Hamilton Water, Licensing, Municipal Service Centres, Parking Authority, Farmers Market, Transit and Hamilton Police Services.

The five non-Legend POS businesses included Healthy and Safe Communities, Parks and Cemeteries, Waste Operations, Provincial Offences Administration and Sports and Entertainment. City staff also consulted with current legacy system vendors and the Information Technology, Digital Innovation and Procurement Divisions.

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

As part of the POS Discovery Project in 2023, business requirements gathered from various business users were used to complete a fit / gap analysis to find the most compatible POS solution to replace the existing Legend POS software. This fit / gap analysis focused on evaluating how well each solution aligns with the functional requirements that are critical to the business.

The two potential vendors are recognized Microsoft technical partners, linked to Microsoft by providing Microsoft related products and services that will enable the City to maximize its investment and resources. In accordance with Policy #11 and based on a process commonly used for service-based evaluations, staff selected a preferred vendor.

ALTERNATIVES FOR CONSIDERATION

Council may direct staff to procure professional implementation services utilizing a standard competitive process. A standard competitive process takes approximately six to nine months to award before services can begin, which may jeopardize the ability to meet a transition date of Q1 2025.

APPENDICES AND SCHEDULES ATTACHED

None