
REPORT TITLE: Supply of Professional Services and Technical Support to Update and Enhance the Development Charges Application - Document 2023-163

FROM: Gary Kent, CPA, CGA, ICD.D, Chief Financial Officer and Commissioner of Corporate Services

RECOMMENDATION

- 1. That the contract (Document 2023-163N) for the Supply of Professional Services and Technical Support to Update and Enhance the Development Charges Application be awarded to CloudSynApps Inc. in the estimated amount of \$357,243.00 (excluding applicable taxes) pursuant to Procurement By-law 30-2018, as amended; and**
- 2. That the Director of Procurement be authorized to increase the contract for any upgrades, enhancements, maintenance, technical support, implementation services for future phases, and other proprietary services for the lifecycle of the application, subject to satisfactory performance, price, and approved budget.**

REPORT HIGHLIGHTS

- Development Charges is a custom-built application on the Salesforce platform that replaced the legacy Interplanetary File System used for the collection of development charges from various developers for both residential and non-residential properties.
 - CloudSynApps Inc. was awarded a contract in 2018 to develop the new Development Charges application through a competitive procurement process (Document # 2015-034P).
 - An update to the application is required to comply with Bill 108 and Bill 23 requirements which were recently introduced by the Ontario government.
 - Procurement Authority is required to engage CloudSynApps Inc. to provide technical support and services to update and enhance the current Development Charges application.
 - This contract is recommended for award in accordance with Procurement By-law 30-2018, section 5.2.5.
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DISCUSSION

1. Background

Prior to 2018, the Region of Peel was using a legacy system that facilitated the collection of development charges, including but not limited to water, wastewater and roads, from various developers for both residential and non-residential properties. The old system operated on the legacy Interplanetary File System (IPFS) which was then out of vendor support due to end of life and was running into server security risks due to outdated security features. It was determined that a new application had to be developed to support the needs of development charges collection management.

An independent consultant was engaged during Phase 1 of the project to develop the initial Development Charges (DC) application which focused only the developer community submission form for hard services through a PDF order intake form. This initial build was not sufficient and further enhancements to the application were required to completely retire the legacy IPFS application and meet the needs of the business.

In 2018, Phase 2 work was initiated to replace the IPFS application. CloudSynApps Inc. was awarded a contract through a competitive procurement process through the Vendor of Record for Salesforce Solutions Implementation and Support Services, Document # 2015-034P to develop the DC application. The new DC application was custom built on the Salesforce platform with the intent to leverage foundational data assets required for development charges process.

Recently, the Ontario government introduced Bill 108 and Bill 23 with new requirements prompting the need to update the DC application to include new legislative requirements that are complex and require extensive coding development. The current DC application is lacking the necessary components to meet the new legislative requirements. To mitigate this risk, it is recommended to use the same vendor, CloudSynApps Inc. who built the DC application as they have already retained the knowledge, expertise, and technical experience of the application. Selecting a different vendor would entail the need to investigate and understand the underlying complex code that was built by CloudSynApps Inc., which will not only involve additional costs but will have significant impact on the timelines and support of the application.

2. Procurement Process

This is a non-competitive procurement process and requires Regional Council approval. The process to award this contract is in compliance with the Procurement By-law 30-2018, as amended.

Procurement By-law 30-2018, section 5.2.5, authorizes the award of contracts through direct negotiation for goods and services which identifies a method of purchasing services from a Vendor that has special knowledge, skills, expertise, and/ or experience.

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RISK CONSIDERATIONS

This is a critical application that supports the management of revenue collected by the development charges, which is one of the main streams of revenue for the Region of Peel (ROP).

Business Implications:

Failure to update and enhance the current application will result in a non-compliance as ROP is not able to meet the new requirements set out by the province.

This would disrupt collection of payment which would be detrimental not only to the developers' business, but also to the Region's source of revenue.

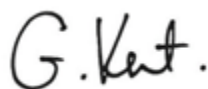
If ROP does not proceed with original vendor (Cloud Synapps), this can pose a risk in obtaining a product that may not meet the business need due to following reasons:

- Delays in understanding the business operations and processes causing an increase in project cost;
- Understanding the DC application and the codebase; and
- Can pose a risk to already developed code if a different style of design and codebase development is introduced.

FINANCIAL IMPLICATIONS

Staff have determined that the cost to provide technical support and services to update and enhance the current Development Charges application represents fair value to the Region of Peel.

There are sufficient funds in the capital budget to award the contract.



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