Report of the Executive Policy Committee dated March 13, 2002

Award of Contract for the Provision of Voice Mail System - RFP No. 912-2001
File GL-9 (Vol. 17)

1. The Executive Policy Committee has been advised that existing contracts for voice mail services were with AT&T Canada and expired on February 28, 2002. Corporate Information Technology and Materials Management issued a Request for Proposals for these services in November of 2001, which closed in December of 2001.

Final Receipt of offers took place on December 14, 2001. Five proposals, from eighteen months to five years proposed duration, were received for the provision of a voice mail system from four companies:

AT&T Canada
MTS Communications Inc. (two proposals)
Accord Communications
Norstan Canada Ltd.

The Offer received from AT&T Canada should be determined to be non-responsive because AT&T did not conform with a mandatory requirement listed in Clause 16.1 (a) (iii) as they did not sign the Offer, agreeing to be bound by the City's terms and conditions. The Offer received from Norstan Canada Ltd. should be determined to be non-responsive as well because Norstan included a statement limiting liability. These matters are significant and should not be waived.

A comparison of existing and recommended spending is outlined in Appendix A. All three proposals that were deemed responsive were thoroughly analyzed as outlined in Appendix B – Evaluation of Offers. The recommended offerer (MTS Communications Inc.) and terms (19 month contract to terminate at the same time as the current five year Centrex contract) are the lowest cost and highest value solution.

The lowest cost MTS solution (Trilogue) is a new and less proven offering than their Octel solution. In negotiations with MTS, allowances for potential problems with the Trilogue system were discussed and an agreement reached whereby the City would receive the older Octel solution at the same or less cost than the Trilogue solution if the Trilogue solution was found not satisfactory. The City will realize an overall increase in the cost of Voice Mail Services of approximately $360.00 per month over current rates. A Financial Impact Statement was prepared, dated February 12, 2002, a copy of which has been placed on file in the office of the City Clerk.

The Offers remain open to the end of April, allowing Council to consider the award before the bids expire. AT&T Canada, the current voice mail provider, will extend the contract at the same price until such time as a cut-over to the new system is complete.

The requirements for Bid and Performance Securities were waived for this purchase in accordance with the authority delegated to the Director of Purchasing by the Board of Commissioners on April 9, 1992, and February 9, 1995.

MTS Communications Inc. has demonstrated that they have the necessary qualifications and resources to perform the work of this contract.

Although the proposed voice mail system operates very much like the existing system, the conversion to the recommended system will involve minor operational changes for all users of voice mail.

Report of the Executive Policy Committee dated March 13, 2002

The Executive Policy Committee recommends:

I. That the Offer from AT&T Canada be determined to be non-responsive.

II. That the Offer from Norstan Canada Inc. be determined to be non-responsive.

III. That the contract for voice mail system for the period be awarded to the offerer whose proposal has been determined to be the most advantageous to the City based upon the criteria for evaluation set out in the Request for Proposals as follows:

MTS Communications Inc. (Nineteen month contract)

Contract duration – May 1, 2002 to November 30, 2003

- Voice Mail System
  Total Conditional Contract Amount Before Taxes $317,414.00

IV. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

Appendix "A" referred to in Clause 1 of the Report of the Executive Policy Committee dated March 13, 2002

Financial Impact Statement — February 12 2002

Project Name: — **First Year of Program** **2002**

Award of contract for the provision of voice mail system - RFP NO. 912-2001

	2002	2003	2004	2005	2006
Capital					
Capital Expenditures Required					
Less: Existing Budgeted Costs					
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Enter Description Here					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 133,648	$ 183,766	$ -	$ -	$ -
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ 133,648	$ 183,766	$ -	$ -	$ -
Less: Existing Budget Amounts	133,648	183,766	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Funding for the voice mail contract will be provided for within the existing budget.

"Original signed by Radhika Abeysekera"
Manager of Finance & Administration

This Report Submitted By:

Department: Corporate Information Technology
Division: Information Technology – Operations & Infrastructure
Prepared by: Leo Boiteau
File No.

Appendix "A" referred to in Clause 1 of the Report of the Executive Policy Committee dated March 13, 2002

Appendix A – Cost Comparison

FINANCIAL COST COMPARISON CHART

CURRENT CONTRACT vs. RECOMMENDED

Voice Mail System

	Est. Monthly Avg.	**19 Month contract**
Current Contract	$16,345.58	$310,566.00
MTS Communications Inc.	$16,706.00	$317,414.00

Appendix "B" referred to in Clause 1 of the Report of the Executive Policy Committee dated March 13, 2002

Appendix B – Evaluation of Offers

COST EVALUATION SUMMARY CHART

Voice Mail System

Company	**Est. Monthly Avg.**	**19 Month contract**
Current Contract	$16,345.58	$310,566.00
MTS Communications Inc. Trilogue System	$16,706.00	$317,414.00
MTS Communications Inc. Octel System	$18,835.40	$357,872.61
Accord Communications Hardware and Software Bid		$693,697.00

Appendix “B” referred to in Clause 1 of the Report of the Executive Policy Committee dated March 13, 2002

Appendix B – Evaluation of Offers

RFP 912-2001 – Evaluation of Proposals

Cellular Telephone Network Services

	Trilogue MTS	Octel MTS	Accord
Conformance with Mandatory Requirements	Pass	Pass	Pass
Qualifications of Offerers	10	10	10
Functionality of System	30	30	30
Support Services	15	15	15
Schedule of Work	10	10	10
Total Contract Cost	35	31	18.1
TOTAL	100	96	83.1

Appendix “B” referred to in Clause 1 of the Report of the Executive Policy Committee dated March 13, 2002

MTS Trilogue Voice Mail - 19 Month Evaluation

DATE	no. of mailboxes	cost per Month	new mailbox	service charge	deletes	profile change	service charge	transfer mailbox	month cost	new transfer mailboxes	service charge	25 msg ext cap	cost per month	service charge	new extended capacity	extra msg length	cost per month	simult access	cost per month	information manager	cost per month	Total cost per month	Accumulated cost
May-02	2229	$6.00	29	$0.00	10	13	$0.00	50	$6.00	1	$0.00	50	$6.00	$0.00	0	1	$13.00	3	$13.00	80	$20.00	$15,626.00	$15,626.00
Jun-02	2248	$6.00	29	$0.00	10	13	$0.00	50	$6.00	0	$0.00	51	$6.00	$0.00	1	1	$13.00	3	$13.00	80	$20.00	$15,746.00	$31,372.00
Jul-02	2267	$6.00	29	$0.00	10	13	$0.00	51	$6.00	1	$0.00	51	$6.00	$0.00	0	1	$13.00	3	$13.00	80	$20.00	$15,866.00	$47,238.00
Aug-02	2286	$6.00	29	$0.00	10	13	$0.00	51	$6.00	0	$0.00	52	$6.00	$0.00	1	1	$13.00	3	$13.00	80	$20.00	$15,986.00	$63,224.00
Sep-02	2305	$6.00	29	$0.00	10	13	$0.00	52	$6.00	1	$0.00	52	$6.00	$0.00	0	1	$13.00	3	$13.00	80	$20.00	$16,106.00	$79,330.00
Oct-02	2324	$6.00	29	$0.00	10	13	$0.00	52	$6.00	0	$0.00	53	$6.00	$0.00	1	1	$13.00	3	$13.00	80	$20.00	$16,226.00	$95,556.00
Nov-02	2343	$6.00	29	$0.00	10	13	$0.00	53	$6.00	1	$0.00	53	$6.00	$0.00	0	1	$13.00	3	$13.00	80	$20.00	$16,346.00	$111,902.00
Dec-02	2362	$6.00	29	$0.00	10	13	$0.00	53	$6.00	0	$0.00	54	$6.00	$0.00	1	1	$13.00	3	$13.00	80	$20.00	$16,466.00	$128,368.00
Jan-03	2381	$6.00	29	$0.00	10	13	$0.00	54	$6.00	1	$0.00	54	$6.00	$0.00	0	1	$13.00	3	$13.00	80	$20.00	$16,586.00	$144,954.00
Feb-03	2400	$6.00	29	$0.00	10	13	$0.00	54	$6.00	0	$0.00	55	$6.00	$0.00	1	1	$13.00	3	$13.00	80	$20.00	$16,706.00	$161,660.00
Mar-03	2419	$6.00	29	$0.00	10	13	$0.00	55	$6.00	1	$0.00	55	$6.00	$0.00	0	1	$13.00	3	$13.00	80	$20.00	$16,826.00	$178,486.00
Apr-03	2438	$6.00	29	$0.00	10	13	$0.00	55	$6.00	0	$0.00	56	$6.00	$0.00	1	1	$13.00	3	$13.00	80	$20.00	$16,946.00	$195,432.00
May-03	2457	$6.00	29	$0.00	10	13	$0.00	56	$6.00	1	$0.00	56	$6.00	$0.00	0	1	$13.00	3	$13.00	80	$20.00	$17,066.00	$212,498.00
Jun-03	2476	$6.00	29	$0.00	10	13	$0.00	56	$6.00	0	$0.00	57	$6.00	$0.00	1	1	$13.00	3	$13.00	80	$20.00	$17,186.00	$229,684.00
Jul-03	2495	$6.00	29	$0.00	10	13	$0.00	57	$6.00	1	$0.00	57	$6.00	$0.00	0	1	$13.00	3	$13.00	80	$20.00	$17,306.00	$246,990.00
Aug-03	2514	$6.00	29	$0.00	10	13	$0.00	57	$6.00	0	$0.00	58	$6.00	$0.00	1	1	$13.00	3	$13.00	80	$20.00	$17,426.00	$264,416.00
Sep-03	2533	$6.00	29	$0.00	10	13	$0.00	58	$6.00	1	$0.00	58	$6.00	$0.00	0	1	$13.00	3	$13.00	80	$20.00	$17,546.00	$281,962.00
Oct-03	2552	$6.00	29	$0.00	10	13	$0.00	58	$6.00	0	$0.00	59	$6.00	$0.00	1	1	$13.00	3	$13.00	80	$20.00	$17,666.00	$299,628.00
Nov-03	2571	$6.00	29	$0.00	10	13	$0.00	59	$6.00	1	$0.00	59	$6.00	$0.00	0	1	$13.00	3	$13.00	80	$20.00	$17,786.00	$317,414.00

Appendix “B” referred to in Clause 1 of the Report of the Executive Policy Committee dated March 13, 2002

MTS Octel Voice Mail - 19 month evaluation

DATE	no. of mailboxes	cost per mailbox	new Month	service charge	deletes	profile change	service charge	transfer mailbox	month cost	new transfer mailboxes	service charge	25 msg ext cap	cost per month	service charge	new extended capacity	extra msg length	cost per month	simult access	cost per month	information manager	cost per month	overage charges	Total cost	Accumulated per month cost
May-02	2229	$6.00	29	$0.00	10	13	$0.00	50	$6.00	1	$0.00	50	$9.00	$0.00	0	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$17,741.19	$17,741.19
Jun-02	2248	$6.00	29	$0.00	10	13	$0.00	50	$6.00	0	$0.00	51	$9.00	$0.00	1	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$17,864.19	$35,605.38
Jul-02	2267	$6.00	29	$0.00	10	13	$0.00	51	$6.00	1	$0.00	51	$9.00	$0.00	0	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$17,984.19	$53,589.57
Aug-02	2286	$6.00	29	$0.00	10	13	$0.00	51	$6.00	0	$0.00	52	$9.00	$0.00	1	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$18,107.19	$71,696.76
Sep-02	2305	$6.00	29	$0.00	10	13	$0.00	52	$6.00	1	$0.00	52	$9.00	$0.00	0	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$18,227.19	$89,923.95
Oct-02	2324	$6.00	29	$0.00	10	13	$0.00	52	$6.00	0	$0.00	53	$9.00	$0.00	1	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$18,350.19	$108,274.14
Nov-02	2343	$6.00	29	$0.00	10	13	$0.00	53	$6.00	1	$0.00	53	$9.00	$0.00	0	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$18,470.19	$126,744.33
Dec-02	2362	$6.00	29	$0.00	10	13	$0.00	53	$6.00	0	$0.00	54	$9.00	$0.00	1	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$18,593.19	$145,337.52
Jan-03	2381	$6.00	29	$0.00	10	13	$0.00	54	$6.00	1	$0.00	54	$9.00	$0.00	0	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$18,713.19	$164,050.71
Feb-03	2400	$6.00	29	$0.00	10	13	$0.00	54	$6.00	0	$0.00	55	$9.00	$0.00	1	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$18,836.19	$182,886.90
Mar-03	2419	$6.00	29	$0.00	10	13	$0.00	55	$6.00	1	$0.00	55	$9.00	$0.00	0	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$18,956.19	$201,843.09
Apr-03	2438	$6.00	29	$0.00	10	13	$0.00	55	$6.00	0	$0.00	56	$9.00	$0.00	1	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$19,079.19	$220,922.28
May-03	2457	$6.00	29	$0.00	10	13	$0.00	56	$6.00	1	$0.00	56	$9.00	$0.00	0	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$19,199.19	$240,121.47
Jun-03	2476	$6.00	29	$0.00	10	13	$0.00	56	$6.00	0	$0.00	57	$9.00	$0.00	1	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$19,322.19	$259,443.66
Jul-03	2495	$6.00	29	$0.00	10	13	$0.00	57	$6.00	1	$0.00	57	$9.00	$0.00	0	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$19,442.19	$278,885.85
Aug-03	2514	$6.00	29	$0.00	10	13	$0.00	57	$6.00	0	$0.00	58	$9.00	$0.00	1	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$19,565.19	$298,451.04
Sep-03	2533	$6.00	29	$0.00	10	13	$0.00	58	$6.00	1	$0.00	58	$9.00	$0.00	0	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$19,685.19	$318,136.23
Oct-03	2552	$6.00	29	$0.00	10	13	$0.00	58	$6.00	0	$0.00	59	$9.00	$0.00	1	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$19,808.19	$337,944.42
Nov-03	2571	$6.00	29	$0.00	10	13	$0.00	59	$6.00	1	$0.00	59	$9.00	$0.00	0	1	$13.00	3	$13.00	80	$9.00	$2,845.19	$19,928.19	$357,872.61

Accord Communications – 19 Month Evaluation

VOICE MAIL RFP 912-2001

		MONTHLY	
Accord Communications			
non-redundant system			
Hardware and Software			$466,664.40
Maintenance (2nd year)		$3,335.00	$23,345.00
Trunking	96 Trunks	$3,792.00	$72,048.00
City Administration	$4000 per month	$4,000.00	$76,000.00
19 Month Contract Price			$638,057.40
redundant system			
Hardware and Software			$508,584.00
Maintenance (2nd year)		$5,295.00	$37,065.00
Trunking	96 Trunks	$3,792.00	$72,048.00
City Administration	$4000 per month	$4,000.00	$76,000.00
19 Month Contract Price			$693,697.00

Voice Mail – Evaluation

Voice Mail Cost Evaluation Summary

Company	**Contract Cost**	**POINTS**
MTS Trilogue	$317,414.00	**35.0**
MTS Octel	$357,872.61	**31.0**
Accord Communications	$693,697.00	**18.1**

Accord bid a purchase and maintain
system including all hardware and software.

Appendix "B" referred to in Clause 1 of the Report of the Executive Policy Committee dated March 13, 2002

Evaluation of RFPs Specification Criteria

Evaluation of MUST/SHALL criteria	*Weight*	MTS Trilogue	MTS Octel	Accord
General Specifications				
3.1 Integration with telephone system	*1*	1	1	1
4.02 Accommodation of subscribers	*1*	1	1	1
4.03 a) greeting length of 20 seconds	*1*	1	1	1
4.03 b) message length of 3 minutes	*1*	1	1	1
4.03 c) incoming message capacity = 25	*1*	1	1	1
4.03 d) retention 21 days new, 7 archived	*1*	1	1	1
4.04 Audiotex function	*1*	1	1	1
Functions				
4.05 Personal greeting	*1*	1	1	1
4.07 Transfer call on specified keystroke	*1*	1	1	1
4.08 receive voice message int/ext	*1*	1	1	1
4.10 Message waiting indication	*1*	1	1	1
4.11 Outbound Notification to paging device	*1*	1	1	1
4.12 Play and replay received messages	*1*	1	1	1
4.14 archive and separate messages	*1*	1	1	1
4.15 Time and date stamp messages	*1*	1	1	1
4.16 CLID on calling party	*1*	1	1	1
4.15 Playback controls	*1*	1	1	1
4.16 Review contents before deletion	*1*	1	1	1
4.17 Touch tone telephone access	*1*	1	1	1
4.18 Password protection, etc.	*1*	1	1	1
4.19 Clear concise system voice prompts	*1*	1	1	1
4.21 send to subscribers/groups	*1*	1	1	1
4.22 Create and use group lists	*1*	1	1	1
4.23 Forward message with introduction	*1*	1	1	1
Software				
4.29 Provision of required software licences	*1*	1	1	1
Additions, Changes, and Deletions				
4.31 Create new mailboxes/profiles	*1*	1	1	1
Reliability				
4.37 Highly reliable system components	*1*	1	1	1
4.39 Scheduled downtime hours	*1*	1	1	1
4.40 Inform City of scheduled outages	*1*	1	1	1
4.41 a) Outage <6h Monday - Friday	*1*	1	1	1
4.41 b) Outage <12 h per year Mon - Fri	*1*	1	1	1
4.41 c) Outage <12 h Saturday - Sunday	*1*	1	1	1
4.41 d) Outage <36 h per year Sat - Sun	*1*	1	1	1
4.42 Provide availability statistics	*1*	1	1	1
4.43 Detection of failure and restoration	*1*	1	1	1
4.45 Provide instruction material	*1*	1	1	1
4.47 Provision of on-line support	*1*	1	1	1
TOTAL POINTS	*37*	*37*	*37*	*37*