

From: Paul Bigioni
Director, Corporate Services & City Solicitor

Subject: Digital Transformation Implementation - Microsoft Dynamics 365 Customer Relationship Management Solution
Request for Proposal No. RFP2025-12
File: A-3700

Recommendation:

1. That the proposal submitted by Endeavour Solutions Inc. in response to Request for Proposal No. RFP2025-12 for Digital Transformation Implementation - Microsoft Dynamics 365 Customer Relationship Management solution in the amount of \$890,400.00 (net HST) or \$988,750.00 (HST included) be accepted;
 2. That the total gross project cost of \$988,750.00 (HST included) and the total net project cost of \$890,400.00 (net of HST rebate) be approved;
 3. That the Director, Finance & Treasurer be authorized to finance the total net project cost of \$890,400.00 from the previously approved 2023 Capital Budget C.10405.2305 Digital Strategy and Website Refresh;
 4. That Council provide authorization to the Director, Corporate Services & City Solicitor to proceed with procurement of required software licenses in accordance with the Procurement Policy PUR 010 for a cost not to exceed to \$312,000 (net of HST) and this cost to be funded from 2023 Capital Budget C. 10405.2305 Digital Strategy and Website Refresh;
 5. That the Director, Corporate Services & City Solicitor be authorized to execute the Form of Agreement with Endeavour Solutions Inc. pursuant to Request for Proposal No. RFP2025-12; and
 6. That the appropriate officials of City of Pickering officials be authorized to take the actions necessary to implement the recommendations in this report.
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Executive Summary: The purpose of this report is to obtain Council's authorization to award Request for Proposal RFP2025-12 to Endeavour Solutions Inc. for Digital Transformation Implementation - Microsoft Dynamics 365 Customer Relationship Management (CRM) solution.

On February 3, 2025, Council endorsed the choice of Microsoft Dynamics 365 as the platform for the City's primary CRM solution (Report IT 01-25, Resolution #663/25).

Request for Proposal No. RFP2025-12 was advertised on the City's bids&tenders portal on April 09, 2025, and closed on May 09, 2025. Three companies submitted proposals. The Evaluation Committee, consisting of staff from Corporate Services (Information Technology and Legal Services) and Office of CAO (Public Affairs & Corporate Communications) reviewed and evaluated the proposals based on criteria outlined in the RFP document including proponent's experience and qualifications, similar or related projects, understanding of the project and cost.

All reference checks and required pre-conditions of the award have been received and approved. It is the recommendation of the Evaluation Committee to award the contract to Endeavour Solutions Inc. as the top-ranked Proponent.

Relationship to the Pickering Strategic Plan: The recommendations in this report respond to the Pickering Strategic Plan Priority of Advance Innovation & Responsible Planning to Support a Connected, Well-Serviced Community. The recommendations also support the Corporate Key of Good Governance and Customer Service Excellence.

Financial Implications: The recommended proposal from Endeavour Solutions Inc. was within the approved \$1,308,000.00 in the 2023 Capital Budget for Digital Strategy and Website Refresh.

1. RFP Amount

RFP 2025-12	\$875,000.00
HST (13%)	<u>113,750.00</u>
Total Gross Project Amount	<u>\$988,750.00</u>

2. Estimated Project Costing Summary

RFP 2025-12	\$875,000.00
HST (13%)	<u>113,750.00</u>
Total Gross Project Amount	\$988,750.00
HST Rebate (11.24%)	<u>(98,350.00)</u>
Total Net Project Costs	<u>\$890,400.00</u>

3. Project & Financing Summary

Project Block Funding Year-To-Date Balance (Original Budget Amount was \$1.50 Million)		\$1,407,104
RFP Award (Net HST)	\$890,400	
Estimated Software License (2025 & 2026)	<u>312,000</u>	<u>1,202,400</u>
Budget Available For Future Projects		<u>\$ 204,704</u>

In 2023, the Capital Budget included, \$1.5 million in “block funding” for the digital strategy. A block funding strategy was used for the project to recognize that the various components still had to be identified and investigated. Starting with the 2026 capital budget and recognizing that the project has matured, individual components of the project will be budgeted separately following the City’s established business practice.

Discussion: The purpose of this report is to obtain Council’s authorization to award Request for Proposal RFP2025-12 to Endeavour Solutions Inc. for Digital Transformation Implementation - Microsoft Dynamics 365 CRM solution.

The City of Pickering currently operates multiple independent technology applications. While these tools serve important functions, there can present limitations in functionality, reporting capabilities, and, in some cases, vendor support. Significant investments have been made in major systems like ESRI for GIS, SAP for Finance and Human Resources, ActiveNet for program registration, Amanda for permitting and planning, Bang the Table for community engagement, and HotSpot for parking, to help achieve integration. However, the City must take a holistic approach to service delivery and technology integration to maximize efficiencies and minimize the demands for additional staff, consulting, and financial resources for maintenance and interoperability which can result when operating different systems.

On February 5, 2024, Council approved the City’s Digital Readiness Assessment and Strategy (Report CAO 01-24, Resolution #416/24, 417/24). In doing so, Council gave the City a mandate to re-evaluate its entire digital infrastructure and determine how best to grow and improve it. The focus of the Digital Strategy is on using technology to enhance service to our residents by improving systems integration, user experience, efficiency, and service outcomes. In today’s evolving municipal environment, a comprehensive Digital Strategy is essential for enabling operational excellence and innovation. The Digital Strategy is Pickering’s commitment to modernizing digital service delivery to improve both internal operations and resident-facing services. By emphasizing accountability, scalability, and a resident-centric approach, the Digital Strategy provides a roadmap for transformational change.

On February 3, 2025, Council endorsed the choice of Microsoft Dynamics 365 as the platform for the City’s primary CRM solution (Report IT 01-25, Resolution #663/25). The implementation of Dynamics 365 is a foundational step in Pickering’s digital transformation. It is important to note that neighbouring municipalities including Ajax, Whitby, Clarington, and the Region of

Durham are now also implementing Dynamics 365. This strategic alignment will serve Pickering well by allowing for easier collaboration, joint procurement opportunities, interoperability (where appropriate) and shared best practices.

The implementation of Microsoft Dynamics 365 will play a pivotal role in achieving the objectives of the Digital Strategy. As a unified, scalable platform, it will enable the City to:

1. **Improve Service Delivery:** Dynamics 365's multi-channel capabilities (email, chat, text message, phone, in person) will make it easier for residents to access services and receive support through their preferred communication channels.
2. **Enhance Operational Efficiencies:** By consolidating fragmented systems, Dynamics 365 reduces redundancies, automates processes, and provides staff with integrated tools that improve productivity.
3. **Manage Cyber Security Risks:** By leveraging the Microsoft ecosystem, the City will be adopting an enterprise-grade, cloud-secure environment that meets or exceeds industry standards for encryption, identity management, and compliance. Having a unified ecosystem also minimize the exposure risk of third-party integrations and unvetted applications. This decision builds on our existing investments and ensures a controlled, auditable, and secure platform managed by our trained IT staff.
4. **Improve Data Quality, Visibility and Reporting:** The Dynamics 365 platform will unify data across departments, eliminate silos, reduce manual errors, and significantly enhance reporting. With dashboards, case management, and automated workflows, staff and leadership will gain immediate visibility into service delivery and resident needs which will enable faster, data-driven decisions.

In Report IT 01-25, staff advised Council that once it approved Dynamics 365 as the City's primary CRM platform, staff would proceed with an RFP to select an experienced consultant to guide the implementation and also proceed with procurement of required software licensing. The Council report recommendations are for the implementation CRM system that is intended to replace and enhance current customer service systems.

Request for Proposal No. RFP2025-12 was advertised on the City's bids&tenders portal on April 09, 2025, and closed on May 09, 2025. Three companies submitted proposals. The Evaluation Committee, consisting of staff from Corporate Services (Information Technology and Legal Services) and Office of CAO (Public Affairs & Corporate Communications) reviewed and evaluated the proposals based on criteria outlined in the RFP document including proponent's experience and qualifications, similar or related projects, understanding of the project and cost.

All reference checks and required pre-conditions of the award have been received and approved. It is the recommendation of the Evaluation Committee to award the contract to Endeavour Solutions Inc. as the top-ranked Proponent. Endeavour Solutions Inc. is a trusted Microsoft partner with over 37 years of experience implementing CRMs, ERPs, and specifically Dynamics 365 for municipalities across British Columbia, Ontario, and Nova Scotia. Endeavour

Solutions Inc.’s capabilities include: CRM development, case management, workflow management, mobile-enablement, and secure alignment with the Microsoft 365 ecosystem (Teams, SharePoint, Outlook).

If Council approves the recommendations in this report, Endeavour Solutions Inc. will perform its work on a time and materials basis, with an upset cost limit of \$875,000.000. Endeavour Solutions Inc.’s Proposal provides that the City’s new Dynamics 365 CRM platform will go live by March-April, 2026, by which time the City’s residents will be able to experience enhanced customer service and the City’s staff will realize the efficiencies of automated work flows and have access to workflow data that will enable them to make ongoing service improvements.

Attachment:

1. Report IT 01-25 dated February 3, 2025.

Prepared By:

Original Signed By:

Anthony Jagdeo
Senior Project Manager, Digital Services

Approved/Endorsed By:

Original Signed By:

Dale Quaife
Division Head, Information Technology

Original Signed By:

Cathy Bazinet, CPPB, NIGP-CPP
Manager, Procurement

Original Signed By:

Stan Karwowski
Director, Finance & Treasurer

Original Signed By:

Paul Bigioni
Director, Corporate Services & City Solicitor

Recommended for the consideration
of Pickering City Council

Original Signed By:

Marisa Carpino, M.A.
Chief Administrative Officer



Report to Executive Committee

Report Number: IT 01-25

Date: February 3, 2025

From: Paul Bigioni
Director, Corporate Services & City Solicitor

Subject: Approval of Microsoft Dynamics 365 Platform

- Proceed with a Request for Proposal (RFP) to Select an Implementation Partner
- File: A-3700

Recommendation:

1. That Council endorses the selection of the Microsoft Dynamics 365 platform as the City's primary Customer Relationship Management (CRM) solution to enhance operational efficiency, customer service delivery and resident engagement capabilities; and,
2. That appropriate City of Pickering officials be authorized to take the actions necessary to implement the recommendation in this report.

Executive Summary: The purpose of this report is to seek Council's endorsement of the Microsoft Dynamics 365 platform as the City's primary CRM solution. The City currently uses Microsoft 365 as its platform for email communication, Teams meetings, hybrid meeting room capability and collaborative tools such as SharePoint and OneDrive. Microsoft Dynamics consists of new features and functions which would be added onto the Microsoft 365 platform to improve and simplify customer relations.

Microsoft Dynamics offers Modules (additional features) that will greatly enhance the City's CRM. The Dynamics 365 Customer Service and Field Service Modules will significantly improve operations and resident engagement. The Customer Service Module will centrally manage interactions across multiple channels, including email, chat, text, and in-person communications, making it far easier to communicate with residents in whatever medium they choose. The Dynamics 365 Field Service module will enhance operational workflows by streamlining complaint tracking, automating case assignments, and scheduling inspections and enforcement actions, all supported by real-time updates to ensure transparency and accountability. Together, these modules will enable the City to deliver more responsive, efficient, and resident-focused services.

If Council adopts the recommendations in this report, City staff will commence a Request for Proposal (RFP) process pursuant to Purchasing Policy PUR 010 to select an experienced external consultant to guide the implementation of Dynamics 365. Staff will then recommend the preferred proponent for Council's approval at a future meeting. To complete the

implementation, the City would then purchase Dynamics licenses from Microsoft to enable the new Dynamics features and functions.

Relationship to the Pickering Strategic Plan: The recommendations in this report respond to the Pickering Strategic Plan Priorities of Champion Economic Leadership & Innovation; and Advance Innovation & Responsible Planning to Support a Connected, Well-Serviced Community

Financial Implications: There are no direct financial implications to this report, but if Council adopts the recommendations, staff will commence an RFP process to select an implementation consultant, the cost of which will be presented to Council for approval in a subsequent staff report. To complete the implementation of the new Dynamics 365 functions, the City will need to purchase approximately 153 licenses for staff in Customer Care, Operations and Municipal Law Enforcement at a total estimated license cost of \$273,000.00 per year.

The cost of hiring the implementation consultant and purchasing the licenses will be paid out of the Information Technology Capital Budget account C.10405.2305. There is \$1,489,168.00 in this budget account. It was carried forward from the City's 2023 Capital Budget for the purpose of developing the Digital Strategy, to "modernize service delivery and enhance the resident experience" and for "technology architecture, technology solutions, digital governance and technology investment that will enable the City to achieve its business objective of becoming a leader in citizen-centred digital services".

Discussion: The purpose of this report is to seek Council's endorsement of the Microsoft Dynamics 365 platform as the City's primary CRM solution. Using Dynamics 365 for CRM is part of the City's digital transformation and is consistent with the Digital Readiness Assessment and Strategy approved by Council on February 5, 2024 (Resolution #416/24).

Since 2020, the City has used Microsoft 365 as its platform for email communication, Teams meetings, hybrid meeting room capability and collaborative tools such as SharePoint and OneDrive. Microsoft 365 is in widespread use throughout the public and private sectors and has proven to be a reliable platform for many of the City's day-to-day functions. Adding new Microsoft Dynamics Modules to the existing 365 platform will give the City new features and functions that will significantly improve and simplify customer relations.

The City of Pickering currently operates several independent technology applications. While these tools serve important functions, they are increasingly challenged by limitations in functionality, reporting capabilities, and vendor support. This fragmented approach also creates inefficiencies and makes it difficult to deliver seamless, integrated services to residents. City systems such as ActiveNet for program registration, SAP for Finance and Human Resources, Bang the Table for community engagement and HotSpot for permit parking operate in silos. It is an ongoing challenge, and a drain on resources, to support multiple systems and to make them interoperable.

Dynamics 365 represents an opportunity to integrate the City's CRM function on its existing Microsoft 365 platform. Adding Dynamics 365 to the City's existing "technology ecosystem" is the most efficient way to enhance CRM and serve residents better. Dynamics will add new capabilities without adding yet another stand-alone system.

The Microsoft Dynamics 365 Customer Service and Field Service modules will significantly improve operations and resident engagement. The Customer Service module will centrally manage interactions across multiple channels, including email, chat, text, and in-person communications, making it far easier to communicate with residents in whatever medium they choose. Its robust case management capabilities and integrated knowledge base will enable staff to address inquiries efficiently and effectively. The Dynamics Field Service module will enhance operational workflows by streamlining complaint tracking, automating case assignments, and scheduling inspections and enforcement actions, all supported by real-time updates to ensure transparency and accountability. Together, these modules will enable the City to deliver more responsive, efficient, and resident-focused services. The streamlining of staff workflows will result in operational cost savings and will enable the City to better serve a growing population.

The adoption of Microsoft Dynamics 365 will enable the City to:

1. **Improve Service Delivery:** Dynamics 365's multi-channel capabilities (email, chat, text message, phone, in person, etc.) will make it easier for residents to access services and receive support through their preferred communication channels.
2. **Enhance Operational Efficiencies:** By consolidating fragmented systems, Dynamics 365 reduces redundancies, automates processes, and provides staff with integrated tools that improve productivity.
3. **Support Scalability:** The platform's flexibility allows for future expansions and integrations, ensuring that the City's technology infrastructure remains adaptable to evolving needs.
4. **Boost Resident Engagement:** Dynamics 365 supports proactive communication and feedback, helping the City engage with residents more effectively and address their needs in a timely manner.

Dynamics 365 is better for the City than other platforms due to its seamless integration into the existing Microsoft 365 environment. This will ensure compatibility and simplify system management. Furthermore, Dynamics 365 provides advanced security, scalability, and proven success in the municipal context. It has been adopted by municipalities including Toronto, Scugog, Vaughan, and the Regional Municipality of Durham. As compared to other CRM systems such as Salesforce, Oracle NetSuite or SAP, Dynamics 365 is less expensive and requires less time and resources to implement.

Microsoft Dynamics 365 will enable the City to deliver a modernized and seamless CRM experience for both residents and staff.

Attachment:

1. None
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Prepared By:

Original Signed By:

Anthony Jagdeo
Senior Project Manager, Digital Services

Prepared By:

Original Signed By:

Dale Quaife
Division Head, Information Technology

Approved/Endorsed By:

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Mark Guinto
Division Head, Public Affairs
& Corporate
Communications

Prepared/Endorsed By:

Original Signed By:

Paul Bigioni
Director, Corporate Services &
City Solicitor

AJ:pb/ks

Recommended for the consideration
of Pickering City Council

Original Signed By:

Marisa Carpino, M.A.
Chief Administrative Officer