

Enterprise Portal Software Agreement

Date:	April 30, 2008
To:	Government Management Committee
From:	Chief Information Officer, Information & Technology Director, Purchasing and Materials Management
Wards:	All
Reference Number:	P:\2008\Internal Services\I&T\gm08004I&T (AFS #7213)

SUMMARY

This report is within the delegated authority of the Government Management Committee.

The purpose of this report is to seek authority to enter into an agreement with IBM Canada, the vendor of record selected by the Province of Ontario through a competitive process for the supply, maintenance and support, installation and configuration, and training of an Enterprise Portal solution for the “Web Vitalization Internet (External) Program Delivery 2008-2009”.

RECOMMENDATIONS

The Chief Information Officer and the Director of Purchasing and Materials Management recommend that:

- (1) authority be granted to enter into an agreement with IBM Canada Inc., the vendor of record selected by the Province of Ontario through a competitive process for the supply, maintenance and support, installation and configuration, and training of an Enterprise Portal Software Solution in the amount not to exceed \$870,000.00 net of GST for the period ending April 5th, 2010, with the option to renew for two (2) additional one (1) year periods at the sole discretion of the City, in an amount not to exceed \$105,000 net of GST from April 6, 2010 to April 5, 2011 and an amount not to exceed \$110,250 net of GST from April 6, 2011 to April 5, 2012. Should the option to renew be exercised, then the Chief Information Officer will instruct the

Director, Purchasing & Materials Management to process the necessary contract renewals under the same terms and conditions. The total potential value of the agreement shall not exceed \$1,085,250.00 net of GST, including all optional extensions.

- (2) authority be granted for the delegation of signing authority for all schedules, attachments or other implementation documentation for the acquisition of products or services under this agreement to the Chief Information Officer provided that expenditures do not exceed the approved Council spending authority for the agreement without further authorization.

Implementation Points

Upon approval, staff in the Information & Technology Division will work with Legal Services to enter into an Agreement with IBM Canada Inc. satisfactory to the City Solicitor.

Financial Impact

The report identifies a total potential contract of \$1,139,512, including all taxes and charges. The total potential cost to the City net of GST is \$1,085,250. Funding is available in the 2008 Information & Technology Capital Budget in WBS element CIT045-01-07 (Web Portal Technology) in the amount of \$240,000 net of GST for 2008 and \$460,000 net of GST for 2009. Funding will also be requested in the 2009 Information and Technology Operating Budget submission in the amount of \$50,000 net of GST in cost centre IT2010 (Web Management Services). Funding for 2010 in the amount of \$120,000 will be requested in the 2010 Information & Technology Operating Budget submission in cost centre IT2010 (Web Management Services).

Should the options to renew be exercised, then the Chief Information Officer will include funds in the amount of \$105,000 net of GST in the Information & Technology Division Operating Budget submission for 2011 in cost centre # IT2010 (Web Management Services) and \$110,250 net of GST in the Information & Technology Division Operating Budget submission for 2012 in cost centre # IT2010 (Web Management Services).

		2008	2009	2010	2011	2012
Licences	Capital	\$ 200,000	\$ 400,000			
Installation and Configuration	Capital	\$ 20,000				
Training	Capital/ Operating (2010) *	\$ 20,000	\$ 60,000	\$ 20,000		
Maintenance and Support	Operating	N/A	\$ 50,000	\$ 100,000	\$105,000	\$110,250
Per Year Sub-total		\$240,000	\$510,000	\$120,000	\$105,000	\$110,250
Contract & Option Years		\$870,000			\$215,250	
Total net of GST		\$1,085,250				

* Training treated as a capital cost 2008 and 2009 and an operating cost in 2010. The 2010 costs are for ongoing training after implementation.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

The Web Vitalization Internet (External) Program Delivery 2008-2009 project was initiated upon recommendation from the eServices Committee to implement an Enterprise Web Portal solution. The eService Committee is helping establish a common approach to enhancing and increasing the number of services available online and through other channels.

Sue Corke, Deputy City Manager and eService Lead invited a cross section of representatives from across the organization to the initial eService Committee meeting on January 9, 2006. They reviewed the committee mandate and shared information about current projects.

The discussion of the future of eService began with the suggestion that the City should consider the redesign of the web site with an eye to developing the “world’s best web site” and the infrastructure to support it. The discussion continued with the suggestion that the world’s best web site would reflect a maturing of eServices from simply publishing information to automating transactional information (restaurant inspections) and enabling services (online building permit or street event applications) and ultimately redefine the relationship between the City and the constituent – both citizens and the businesses.

The City of Toronto's website ranks 9th in digital governance for city Websites worldwide. This is a move up from 10th place in 2003. In order to improve this ranking, a number of short and long-term actions were proposed in a report submitted to the Toronto Government Agenda of November 27, 2006.

The Information & Technology Division engaged the services of a Web Portal Application Architect in 2007 to review the existing Portal Servers solutions in the City with a fit analysis to the current City external enterprise environment. The results support IBM's WebSphere, already widely used throughout the City, as by far the best fit for external public portal applications at the City.

ISSUE BACKGROUND

In 2007, the Ontario Ministry of Government Services issued a Request for Proposal for a Web Portal Solution. The scope of the RFP included licenses, support and maintenance and professional services required to implement the entire solution. IBM Canada Ltd. was the successful Proponent.

The Ministry of Government Services executed a Master Software Licence Agreement (MSLA) with IBM Canada for an Enterprise Portal Solution effective April 6, 2007 to April 5, 2010 with the option to renew for two (2) additional one (1) year periods, with the same terms and conditions. This agreement is optionally available to Broader Public Sector organizations.

The Information & Technology (I&T) Division has reviewed the service offering and pricing in the Master Software License Agreement executed with IBM Canada and recommends the City take advantage of the agreement for the following reasons:

- (1) The Ministry of Government Services was able to obtain lower pricing due to their higher volume than City is able to obtain.
- (2) The agreement includes the WebSphere software licenses, support and maintenance, and professional services required for the "Web Vitalization Internet (External) Program Delivery 2008-2009".
- (3) The agreement was the result of a competitive RFP Process.

COMMENTS

The City is seeking the authority to enter into an agreement with IBM Canada for the supply of licenses, maintenance and support and professional services required for the "Web Vitalization Internet (External) Program Delivery 2008-2009" in an amount not to exceed \$1,085,250 net of GST including all optional extensions. IBM Canada was selected by the Ontario Ministry of Government Services through an RFP process. The resulting agreement is available to Broader Public Sector organizations.

By taking advantage of this agreement, the City will benefit from the lower prices the Province was able to obtain through volume discounts, reduced timeline to begin the program, and an earlier completion date.

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SIGNATURES

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