

Government Management Committee

Meeting No.	23	Contact	Betty Henderson
Meeting Date	Tuesday, May 12, 2009	Phone	416-392-8088
Start Time	9:30 AM	E-mail	gmc@toronto.ca
Location	Committee Room 1, City Hall	Chair	Deputy Speaker Gloria Lindsay Luby

13a Sole Source SAP License Framework

Confidential Attachment 1 - The security of the property of the municipality or local board

Origin

(May 6, 2009) Report from the Chief Information Officer, Information and Technology and the Acting Director, Purchasing and Materials Management Division

Recommendations

The Chief Information Officer and the Acting Director, Purchasing and Materials Management Division recommend that:

1. The Information and Technology's 2009 Approved Capital Budget be increased by \$7,015,089, funded from the Information and Technology Equipment Reserve.
2. The Chief Information Officer report to Budget Committee prior to the 2010 capital budget process to identify under-spending in his 2009 Approved Capital Budget in order to replenish the Information and Technology Equipment Reserve, where possible and/or identify changes to the Five Year Capital Plan.
3. Council approve the sole source purchase of \$7,015,089 net of GST in SAP licenses and 2009 maintenance fees to SAP Canada Inc.
4. Council accommodate SAP Canada Inc.'s request to protect its competitive interests by not releasing the details identified in Confidential Attachment 1.

Summary

This report recommends to Council that a Strategic Investment Framework for SAP software licenses be established. The license framework is based on an envelope approach which proposes a flexible acquisition model that allows software to be staged in when needed for critical projects over the next 3 years. This direction is consistent with the SAP governance processes that were implemented in 2008 and the Integrated Project Plan which was approved by the SAP Steering Committee.

Financial Impact

In order to take advantage of this opportunity, capital funding in the amount of \$7,015,089 is required in 2009. It is recommended that funds in the amount of \$7,015,089 be provided from the Information and Technology Equipment Reserve for this purpose, for a net \$0 impact. It is further recommended that the Chief Information Officer report to Budget Committee prior to the 2010 capital budget process to identify potential under-spending of other capital projects in order to reinstate the Reserve and/or adjust the 2010-2013 capital plan to ensure the Reserve is adequate to meet the plan requirements.

Annual maintenance fees will be \$1,425,600 million annually starting in 2010 based on 22% of the license net of GST. The Chief Information Officer will accommodate the \$1,425,600 million operating impact on the 2010 operating budget within budget guidelines.

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

Background Information

Report - Sole Source SAP License Framework

(<http://www.toronto.ca/legdocs/mmis/2009/gm/bgrd/backgroundfile-21085.pdf>)

Confidential Attachment 1 - Sole Source SAP License Framework

16a Sale of the Public Lane known as Barnaby Place

Origin

(May 6, 2009) Report from the Chief Corporate Officer

Recommendations

The Chief Corporate Officer recommends that:

1. Subject to City Council authorizing the permanent closure of the public lane, being the unnamed lane on Plan 60 (aka Barnaby Place) north of Elm Street, abutting Lot 25 and shown as Part 1 on Sketch No. PS-2008-133 (the "Lane"), the City of Toronto enter into an Agreement of Purchase and Sale with the adjoining owner, the Hospital for Sick Children ("HSC"), for the sale of the Lane, in the amount of \$900,000.00, substantially on the terms and conditions outlined in Appendix "A" to this report.

2. The City of Toronto grant a permanent easement to Enwave Energy Corporation (“Enwave”) and to any other affected utility companies, for nominal consideration, prior to the completion of the sale to HSC on terms and conditions satisfactory to the City in consultation with Enwave and any other affected utility companies.
3. Authority be granted to direct a portion of the proceeds of closing to fund the outstanding expenses related to the Lane and the completion of the sale transaction.
4. The City Solicitor be authorized to complete the transaction on behalf of the City, including paying any necessary expenses, amending the closing, due diligence and other dates, and amending or waiving terms and conditions, on such terms as she considers reasonable.

Summary

The purpose of this report is to authorize the sale of the public lane known as Barnaby Place to the adjoining owner, the Hospital for Sick Children.

The terms for completing the transaction, as set out herein, are considered to be fair, reasonable and reflective of market value.

Financial Impact

We anticipate revenue in the amount of \$900,000.00 (net of GST), less closing costs and the usual adjustments from this sale.

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

Background Information

Report - Sale of Public Lane - Barnaby Place

<http://www.toronto.ca/legdocs/mmis/2009/gm/bgrd/backgroundfile-21086.pdf>

Appendix A - Sale of Public Lane - Barnaby Place

<http://www.toronto.ca/legdocs/mmis/2009/gm/bgrd/backgroundfile-21087.pdf>

Appendix B - Sale of Public Lane - Barnaby Place

<http://www.toronto.ca/legdocs/mmis/2009/gm/bgrd/backgroundfile-21088.pdf>