



## STAFF REPORT ACTION REQUIRED

### Provision of Proprietary Software, Support, Maintenance and Professional Services from CSDC Inc.

<b>Date:</b>	February 5, 2013
<b>To:</b>	Government Management Committee
<b>From:</b>	Acting Chief Information Officer, Chief Building Official/Executive Director, and Director, Purchasing and Materials Management
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2013\Internal Services\pmmd\gm13003pmmd (AFS 16853)

#### SUMMARY

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The purpose of this report is to request authority to negotiate a single source contract with CSDC Inc. to purchase the AMANDA Portal II solution consisting of software licences, support and professional services for the enablement of Toronto Building's Electronic Service Delivery (ESD) Program. The solution is an enhancement to the existing CSDC's enterprise business solution known as Integrated Business Management System (IBMS) for Toronto Building to provide an online permit service and many other web based services to the public. The estimated value of this procurement is in the amount not to exceed \$1,074,000.00 net of HST (or \$1,092,902.00 net of HST recoveries).

CSDC Inc. is the single source provider of the AMANDA software product.

#### RECOMMENDATIONS

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**The Acting Chief Information Officer, Chief Building Official/Executive Director, and Director, Purchasing and Materials Management recommend that:**

1. City Council grant authority to the Acting Chief Information Officer and the Chief Building Official/Executive Director to negotiate and enter into an agreement with CSDC Inc. for the purchase of the AMANDA Portal II solution to implement Toronto Building's Electronic Service Delivery (ESD) Program for a total amount of \$1,074,000.00 net of HST (\$1,092,902.00 net of HST recoveries) on terms and conditions satisfactory to the Acting Chief Information Officer and

the Chief Building Official/Executive Director and in a form satisfactory to the City Solicitor.

### Financial Impact

The total amount of \$1,074,000.00 net of HST (or \$1,092,902.00 net of HST recoveries) has been approved and is available in the Information and Technology Division 2013 Capital Budget and 2014-2022 Capital Plan.

The ongoing maintenance and support of the AMANDA software has been included in the Information Technology Proprietary Software Support and Maintenance Contracts Renewals and Amendments under Staff Report GM32.20 as amended by Staff Report GM 16.5, and therefore, there is no need for an additional request for maintenance and support until the end of 2015.

The Toronto Building Portal will be an off-the-shelf solution that will be configured for the City's unique and complex environment. The vendor's initial estimate is based on common implementation and a less complex environment. The City of Toronto's implementation would require deployment on the City's existing Web environment (WebSphere) and utilization of existing shared infrastructure in addition to integration with the City's enterprise common components such as Identity Management (IdMA) and Common Payment Component (CPC). A 20% contingency has been added to accommodate contract negotiations for required customization and implementation in our complex environment.

Below is a summary of the costs for this purchase which has been budgeted for:

Cost Centre/Element	Description (of Cost Element)	Date of Award to December 31, 2013 (Net of HST Recoveries)	January 1, 2014 to December 31, 2014 (Net of HST Recoveries)	Total (Net of HST Recoveries)
CIT045-06-21/GL 4038, 3420	Professional & Technical Services – IT (GL 4038)			
CIT045-08-01/GL 4038, 3420	Computer – Software (GL 3420)	\$254,400.00	\$838,502.00	\$1,092,902.00
CIT045-08-02/GL 4038, 3420				

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

## **DECISION HISTORY**

In 2008, the Toronto Building Electronic Service Delivery (EDS) Program was submitted and approved as part of the Capital Budget process that year. The projects under this Program were initiated in 2009.

The existing annual maintenance contract for the Integrated Business Management System (IBMS) is funded in the amount of \$1,885,000.00 net of HST (or \$1,887,648.00 net of HST recoveries) for the period 2011 – 2015. This amount has been approved under Staff Report GM32.20 (2011 – 2015), subject to budget approval each year, as amended by GM16.5 adopted by Council at the October 2 and 3, 2012 Council session for an additional increase by \$854,000.00 net of HST (or \$869,030.40 net of HST recoveries) for the period 2013 – 2015, subject to budget approval each year. Following is the Council decision and staff report:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.GM16.5>

## **ISSUE BACKGROUND**

The Toronto Building Electronic Service Delivery (EDS) Program consists of several projects that collectively will enable the Division's transformation from a paper-based to an electronic-based business process. An electronic-based business process will allow residents and businesses to apply for Toronto Building services through a web based channel, and enable the automation of certain processes and greater integration with other divisions.

To date, several key projects have been delivered to facilitate the introduction of online service delivery channels. Mandatory submission of applications in an electronic format was introduced on November 6, 2011. The electronic review and issuance of permit applications, using a customized enhancement to IBMS, began on November 12, 2012. By the end of 2012, Toronto Building issued over 1,300 permits electronically using the Electronic Mark-up Management Application. The next step is to provide residents and businesses the opportunity to make, pay for, and collect permit applications using a web portal.

Generally, residents and businesses want to be able to access services online. A recent PWC study "[\*Next generation of eservice\*](#)" reports that 84 percent of Canadians are interested or very interested in accessing government services from their home computers. This interest is reflected in the support for change that residents and businesses have provided Toronto Building as it has taken steps to make more services available electronically. Toronto Building clients have responded very positively to receiving permits electronically and pressure is mounting to allow them to make applications online. Furthermore, through the 2012 Core Service Review, KPMG identified adopting new processes and accelerating the adoption of new technologies as opportunities Toronto Building should consider.

A Business Architecture Review of Toronto Building's online service requirement was completed in 2012. This review was subsequently used in an analysis of options for

proceeding with the development of the solution to meet the Division's needs. The result of this analysis concluded that procurement of an off-the-shelf solution from CSDC Inc., which holds proprietary rights to the existing business solution and middleware software, meets Toronto Building's operational requirements, budget and timelines. Based on the review, while other options are available, they would result in much higher costs and significant implementation delays.

Based on the Business Architecture Review and feasibility option analysis, Toronto Building's ESD Program Steering Committee has decided to seek City Council approval to single source this solution from CSDC Inc. The Toronto Building ESD Program Steering Committee is composed of the Chief Information Officer, Chief Building Official/Executive Director, City Clerk Executive Director, and Directors from both Information and Technology and Toronto Building Divisions.

This single source request will facilitate the initiation and deployment of the first release of the solution in 2013.

## **COMMENTS**

The three (3) options analyzed during the Business Architecture Review and feasibility option analysis were as follows:

- In-house enterprise ESD solution;
- In-house Toronto Building Specific solution; and
- Current vendor's (CSDC Inc.) solution

Both in-house development options require the purchase of components of CSDC Inc's proprietary software to allow communication with our internal IBMS solution (which is a CSDC AMANDA product). Furthermore, as set out in Attachment A - Summary of Analysed Solution Options , each in-house development options are estimated to cost approximately \$1 million more than the proposed solution, and estimated to take one year longer to develop than the off-the-shelf vendor's Portal II solution.

Any portal solution that is developed must interface through the AMANDA API. This means that a third party's software would need to stay synchronized with the AMANDA API. This risk was deemed too high by the City as we could not guarantee new versions of the software could be implemented in a timely basis. Therefore other external options were not considered.

IBMS (AMANDA product) is considered Toronto Building's core business solution that is used on a daily basis for all aspects of building permit and issuance process, along with other information service such as record/routine disclosure.

Procurement of an integrated CSDC Inc., portal as an add-on module with our existing IBMS solution can only be provided by CSDC Inc. This will ensure future release compatibility and integration with the core business solution along with seamless maintenance and support.

## CONTACT

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## SIGNATURE

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## ATTACHMENTS

ATTACHMENT A – Summary of Analysed Solution Options