



STAFF REPORT ACTION REQUIRED

Use of the Province of Ontario's Vendor of Record with OpenText Corporation for the Purchase of Enterprise Information Management Products and Services

Date:	October 6, 2015
To:	Government Management Committee
From:	Chief Information Officer City Clerk General Manager, Toronto Water Treasurer Director, Purchasing and Materials Management
Wards:	All
Reference Number:	P:/2015/Internal Services/PMMD/GM15008pmmd (AFS21848)

SUMMARY

In 2009, the Province of Ontario named OpenText its Enterprise Information Management ("EIM") Vendor of Record (VOR No. 1020) for Enterprise Document and Records Management Products and Professional Services ("EDRMS"), after an extensive competitive procurement process. After a successful implementation, the Province made available in 2014 the VOR to Provincially Funded Organizations, including municipalities.

The City has determined that the Province's solution meets the City's business requirements to manage City records in all formats while fitting into the City's overall technology roadmap. The City therefore requests City Council's approval to pilot the Province's VOR solution at the City in 2016, with the goal of deploying the solution more widely across the enterprise starting in 2017. This will accelerate the implementation of a proven EDRMS solution at the City of Toronto.

In addition, the use of the provincial vendor of record will enable Toronto Water, which currently employs this solution to purchase additional licences and convert existing licenses required to support their operations.

RECOMMENDATIONS

The City Clerk, Chief Information Officer, Treasurer, General Manager of Toronto Water, and Director, Purchasing and Materials Management recommend that:

1. City Council grant authority to the Chief Information Officer, the City Clerk and the Director, Revenue Services to negotiate and execute a separate non-exclusive three-year agreement with OpenText Corporation (the Province of Ontario's Vendor of Record for Enterprise Information Management), for the purchase of professional services as well as licenses and associated support and maintenance for these licenses for an estimated amount of \$5,344,030 net of HST (\$5,438,085 net of HST recoveries) on terms and conditions satisfactory to the Chief Information Officer, the City Clerk and the Director, Revenue Services and in a form satisfactory to the City Solicitor, and
2. City Council grant authority to the Chief Information Officer and the General Manager, Toronto Water to negotiate and execute the conversion of existing licenses and the purchase of new OpenText licenses until April 30, 2017, for an estimated amount of \$212,545 net of HST (\$216,286 net of HST recoveries) on terms and conditions satisfactory to the Chief Information Officer and the General Manager, Toronto Water, and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

The total cost to the City for this procurement is \$5,654,371 net of HST recoveries over 2015-2017. These funds have been included in the 2015 Approved Capital budget and 2016-2024 Plan with the exception of \$1,130,000 in additional funding being requested. This amount is based on estimates from the Vendor of Record pricing and which City Clerk's Office is including in the 2016 Capital Budget submission.

The funding is summarized as follows:

For City Clerk's Office: funding in the amount of \$1,605,602 is included in the 2015 Approved Capital Budget and 2016-2024 Capital Plan. Funding in the amount of \$1,130,000 will be included in the 2016 Capital Budget and 2017-2025 Capital Plan.

For Revenue Services Division: funding in the amount of \$1,533,261 is included in the 2015 Approved Capital Budget and 2016-2024 Approved Capital Plan for Financial Services. Use of funds from Revenue Services Division is dependent on a satisfactory EDRMS implementation.

For Information & Technology Division: funding in the amount of \$1,169,222 is included in the 2015 Approved Capital Budget and 2016-2024 Approved Capital Plan.

For Toronto Water: funding in the amount of \$216,286 is included in the 2015 Approved Capital Budget and 2016-2024 Approved Capital Plan.

Planned Expenditure Period	Division	WBS Element	Cost Elements	Net of HST recoveries
2015-2017	City Clerk's Office	CGV036-02	4038/4310/3410/3420/4995/5020	\$2,735,602*
2015-2017	Revenue Services	CFS018-01	4038/4199/4995	\$1,533,261
2015-2017	Information & Technology	CIT046-10	4038	\$1,169,222
2015-2017	Toronto Water	CPW039-11	3420/4474	\$ 216,286
			Total	\$5,654,371

*\$1,605,602 (2015 Approved Capital Budget) plus \$1,130,000 (2016 Capital Budget Submission).

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

DECISION HISTORY

Approval to improve the City's capabilities to manage its records and information is found in the capital allocations approved by City Council to date.

The City's previous procurement efforts (RFP No. 3405-05-3023 and RFP No. 3401-11-3050), in engaging a vendor to develop a solution specific to the City has been unsuccessful. As a result, the City continues to function on outdated and unsupported technologies. By 2015, the project was reset, re-scoped and a market analysis of technology platforms readily available to the City was conducted by the partner divisions. It was concluded that Ontario's VOR would fulfill the City's business needs and priorities.

The City's Purchasing By-law permits the use of provincial contracts where those are based on a competitive procurement process. On this basis City Council's approval is requested.

Toronto Water currently employs OpenText under a separate agreement and plans to convert 250 legacy OpenText user licenses to a new license type of equal numbers, and to purchase net new licenses for up to 550 new users between 2015 and 2017. The conversion cost is \$14,545 (approximately 0.3% of the total amount requested in this report), and will result in a savings of approximately \$62,880 compared to procuring all new licenses. Toronto Water intends to align its agreement with the enterprise procurement framework being sought in this staff report.

COMMENTS

The City currently does not have the capacity to manage electronic records and is required to under COTA. Managing the City's information and records is a responsibility shared by the City Clerk, the Chief Information Officer, and all division heads as described in Municipal Code, Chapter 217, § 217-3. The City of Toronto Act, 2006 also describes record keeping responsibilities for the City Clerk.

The EDRMS capital project is a partnership between Revenue Services Division, Information and Technology Division, and the City Clerk's Office. These Divisions are collaborating to implement an EDRMS that will prototype the lifecycle management of electronic records and information using a common technology infrastructure that would be scalable to the entire City using standardised policies and procedures.

In 2016 and 2017 Information Technology Division will use its funding to deploy the necessary infrastructure for the new solution to manage electronic records and facilitate the migration from old unsupported technologies. It will develop corporate technology policies & procedures and train its staff to support the new solution.

In parallel, the City Clerk's Office will purchase approximately 1500 licenses to move users from outdated and unsupported technologies (Livelink) and will provide training for these users and administrative staff. Furthermore, City Clerk's Office will employ some professional services, configure and pilot the use of this new technology within Corporate Information Management Services to effectively manage the disposition of city records.

Upon successful implementation of the above, in 2017, Revenue Services will employ its funds to implement the solution at select financial services business areas to better serve the public.

Subsequently this pilot will be the basis for a broader roll-out across other City Divisions. Additional funding for further rollouts (post 2017) will be determined by the various divisions depending on the success of the pilot and a report will be submitted to City Council requesting authority to negotiate and amend the agreement at that time. This will allow the City to ascertain a better understanding of the potential costs for the implementation to other City Divisions and to provide an accurate time frame for the rollouts.

Toronto Water

Toronto Water has relied on certain OpenText document management products for managing its processes, SOP (standard operating procedures) and other documentation to meet expectations of the SDWA (Safe Drinking Water Act) 2002 and other applicable legislation. Toronto Water's document management system lifecycle upgrade project was started in 2014 and substantially completed this year. With additional features and enhancements recently introduced by OpenText, it was determined that additional user licenses are necessary to further automate some of the Division's existing manual processes and maximize operational efficiencies. The requirements for Toronto Water to meet its operational needs are 200 new user licenses and a conversion of 250 old user licenses to the new type in 2015, and flexibility at the discretion of the City, for up to an additional 350 new licenses until 2017.

Toronto Water plans to continue using the software for the next few years until the corporate EDRMS initiative is ready for rollout in 2017. As the license conversion is not listed in the Province of Ontario's Vendor of Record for Enterprise Information Management products and professional services, Toronto Water requires to enter into a separate agreement with OpenText. All license purchases include associated support and maintenance for the first year.

City Council approval is required in accordance with Toronto Municipal code Bylaw, Chapter 71- Financial Control because the conversion and additional software licenses from Open Text for Toronto Water's requirements which exceed staff's authority. These licences fall outside of the Ontario Vendor of Record purchase of EDRMS product and services.

Benefits and Risks

It is estimated that more than 90% of City information is born in electronic form. However, the City currently does not have the supporting infrastructure and technologies to manage the whole lifecycle of all City records, paper and electronic. Furthermore, the vendor of the City's current application used to manage paper records, Livelink Records Server, has not supported the application since 2012.

The City has many systems for creating electronic records, such as the City's email system, but these systems are not record keeping systems. They are not designed to manage those records from when they are created to when they are no longer needed for service delivery, statutory compliance, or to meet litigation needs. As a result, divisions are limited in how they can share information and make it accessible to each other and the public.

Additionally, unmanaged records:

- Result in increased storage costs;
- Increase search time in response to FOI requests and litigation;
- Delay responses to customer enquiries eg. if there are multiple versions of a document.

The EDRMS will provide the City with the means (technology and training) to manage information and data, regardless of media (paper, digital, photographs, maps etc.), from its creation to eventual disposition.

The system will allow records to be:

- classified so that they can be found when needed;
- scheduled so that they will be kept as long as required;
- disposed of so that City resources are no longer expended to maintain them after their scheduled retention expires, except for a small portion having historical value selected by the Archives.

Under the City of Toronto Act, 2006, records cannot be destroyed regardless of format, unless the authorized retention period to either transfer them to the City Archives or secure destruction has been reached.

Evaluation of Ontario's Vendor of Record

City staff with expertise in information management, service delivery, information technology, purchasing, and contracts participated in the evaluation of the Province's VOR.

The evaluation assessed:

- how well the solution's functional and business capabilities align with the business requirements of the City;
- that the solution fits in terms of the City's information technology standards;
- that we have identified all implications to procurement and contracts;
- that we have identified all costs; and
- that professional services offerings are competitively priced.

The evaluation concluded that using the Province's VOR is:

- cost effective, since it leverages functionality and infrastructure available or planned;
- simplifies procurement, because issuing another RFP is not necessary;
- minimizes system complexity, by drawing on proven technology in use by another government;

- provides the City with access to a market leader for technology and services for managing electronic records

If City Council approves using the provincial Vendor of Record for the City of Toronto's EDRMS, City staff will work with Legal Services to negotiate and finalize agreements and statements of work with the vendor with a goal of implementing the prototype of the enterprise system by the end of 2017 and to acquire licenses for Toronto Water to meet operational requirements for the period 2015 to 2017.

The Fair Wage Office has reported that OpenText Corporation has reviewed and understood the Fair Wage Policy and Labour Trades requirements and have agreed to comply fully. CONTACTS

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