REPORT

REPORT TO: Mayor Bonnette and Members of Council

REPORT FROM: Dharmen Dhaliah, Senior Manager Climate Change & Asset
Management
Murray Colquhoun, Director of Information Technology Services

DATE: November 23, 2020

REPORT NO.:   CORPSERV-2020-0044

RE: Asset Management Information System (AMIS) Software Award
of Contract

RECOMMENDATION:

THAT Report No. CORPSERV-2020-0044 dated November 23, 2020 regarding Asset
Management Information System (AMIS) Software Award of Contract, be received;

AND FURTHER THAT the Senior Manager of Purchasing & Risk Management be
authorized to issue a purchase order to ESRI Canada, 12 Concorde Place, Suite 900
Toronto, ON M3C 3R8 of $514,011 plus HST for the Implementation and Licensing of
the City Works asset management software;

AND FURTHER THAT the Senior Manager of Purchasing & Risk Management be
authorized to issue a purchase order to ESRI Canada, 12 Concorde Place, Suite 900
Toronto, ON M3C 3R8 for annual hosting and infrastructure of Cityworks Online in the
amount of $26,000 plus HST for the implementation and subject to price negotiations
and satisfactory performance for each year thereafter;

AND FURTHER THAT the Senior Manager of Purchasing & Risk Management be
authorized to issue a purchase order to Assetic, 500 King Street West, Toronto
Ontario, Canada M5V 1L8 to an upset limit of $45,000 plus HST for the implementation
and Licensing of the Assetic Predictor - Assets and Accounting, Assetic CP of the asset
management software annual hosting and subject to price negotiations and satisfactory
performance for each year thereafter;

AND FURTHER THAT the Senior Manager of Purchasing & Risk Management be authorized to issue a purchase order to Spatial DNA Informatics Inc. -1400 - 330 Bay Street Toronto, Ontario, Canada M5H 2S8 to an upset limit of $15,600 plus HST for the annual FME Server Hosting and managed service support and Licensing of the Spatial DNA software and subject to price negotiations and satisfactory performance for each year thereafter;

AND FURTHER THAT the Senior Manager of Purchasing & Risk Management be authorized to issue a purchase order to increase the purchase orders to Esri, Assetic and Spatial DNA to a total upset limit of $60,000 plus HST as a 10% contingency for the implementation of the project;

AND FURTHER THAT Council pre-approves an additional $196,340 plus HST increase to the 2022 operating budget for annual hosting maintenance and support for all three software packages listed above for the second year and subject price negotiations and satisfactory performance for each year thereafter;

AND FURTHER THAT the Asset Management Information System capital project be combined with the AMIS Implementation capital project;

AND FURTHER THAT the Mayor and Clerk be authorized to execute the necessary contracts and any ancillary documents.

BACKGROUND:

An Asset Management Information System (AMIS) is a key component for implementing a sustainable asset management program. Collecting and analyzing asset data is one of the first steps in managing assets. In April 2016 consulting firm Deloitte completed an Asset Management Information Systems Review and made several recommendations on how the Town should move forward to manage the information requirements for asset management and leverage applicable technology in a cost-effective and efficient manner. In that same year while working on the Corporate Asset Management project consulting firm CH2MHill identified the issue of the data gap that exists. The message was that the "Town is rich in data but information poor". A significant amount of data exists but they are either not readily accessible or dispersed in silos or they are of poor quality and incomplete. Currently, there are multiple systems that are used for different asset portfolios in different service areas. There are some departments still using spreadsheets and paper systems. The goal is to implement a solution in alignment with the Corporate Asset Management (CAM) program that serves all asset portfolios and interface/integrate with the Town's system infrastructure.

On June 25, 2018 Council endorsed the Town's Corporate Asset Management Policy (Report No. RP-2018-0018) in compliance with Ont. Reg. 588/17 – Asset Management Planning for Municipal Infrastructure, outlining the principles to align with its growth and sustainability objectives. Staff has identified information management as a critical hurdle towards operationalizing the Town's asset management plans and meeting all the requirements of O.Reg 588/17. AMIS is a key enabler to establish a management system for effective asset management activities and to support the Town's CAM program.

The AMIS Discovery Project was approved by the Corporate Technology Governance Committee in 2019 to document existing capabilities and develop a strategy for the implementation of the Town's asset management software solution. The key outcomes of this project were to identify and agree on system requirements and functionalities; review and define business and technical requirements and to prepare bid documents and carry out demonstrations to evaluate and select a vendor. In 2020 the AMIS Implementation Project was recommended to proceed. The solution will provide the necessary information to optimize asset performance and reliability and meet service levels with a minimum overall cost of ownership. The new system is expected to streamline current preventive maintenance activities by creating an opportunity to automate manual work processes for operation and maintenance activities.

Through the 2019 Capital Budget process, $750,000 has been approved for the AMIS software. In addition, Ontario Community Infrastructure Fund (OCIF) Funding has been received for $400,000.

COMMENTS:

Work was undertaken in the fall of 2019, led by Information Technology Services in partnership with Strategic Initiatives that included a cross-functional project team from across the organization. The initial step was to analyze previous studies and recommendations along with engaging other municipalities to learn from their experiences. An asset management workshop was held in early 2019 to introduce the key software options and concepts to the project team and key stakeholders. In the summer of 2019 Town's staff visited with asset management staff from the City of Guelph and the Town of New Tecumseth to discuss their AM solutions. As we learned the current offering of asset management software (AMS) in the marketplace is extremely varied and complex.

A Request for Proposal (RFP) for (Asset Management Information System) was issued on June 25th, 2020. The bid was posted on the Town's website and advertised on the www.bidsandtenders.ca website.   The contract term is for two (2) years with three (3) one-year options to renew.

Thirty-two (32) firms downloaded the document. The RFP closed on August 25th, 2020 and 13 submissions were received as follows:

Vendor	Location
6362222 Canada Inc. dba The Createch Group	Hamilton, Ontario
Applied GeoLogics	Guelph, Ontario
Berger Levrault	Laval, Quebec
CentralSquare Canada Software Inc.	Lake Mary, Florida, USA
Direct IT Ltd.	Toronto, Ontario
Esri Canada Limited	Toronto, Ontario
Grid Dynamics Holdings, Inc.	San Ramon, California, USA
Infor Canada	Toronto, Ontario
Novotx	Clearfield, Utah, USA
Public Sector Digest	London, Ontario
SMART ENERGY WATER	Irvine, California, USA
Trans-Plan Inc	Toronto, Ontario
Univerus	Port Moody, British Columbia

All bids were evaluated by fourteen (14) staff from across the Corporation. After the first round of evaluations, staff short listed three (3) firms: Applied GeoLogics, Direct IT Ltd., Esri Canada Limited. A full day demonstration was provided by each of these companies. Based on the criteria in Request for Proposal (RFP), Esri Canada Limited was determined to be the highest-ranking proponent.

Staff recommend moving forward in January 2021 to have Esri Canada implement a fully integrated asset management and work order cloud-based solution. This solution is based upon an Esri-Cityworks Asset Management Solution (AMS), and Assetic's Predictor and Asset Accounting Solutions. Esri Canada has also partnered with Spatial DNA to provide seamless integrations to the Town's existing Enterprise solutions.

The Esri platform as administered by ITS-Geomatics is already widely used at the Town of Halton Hills. This solution enables the Town to leverage existing investments while moving forward to also manage work orders and improve the management of the Town's asset information. This includes, but not limited to inventory, condition, valuations, level of service, risk and life cycle management. The platform offers easy-to-use tools that support individuals at all levels of the organization from management and staff to contractors. To the end-users, this will be a single solution that offers three main pillars of an Enterprise AMS, a system of record, a system of engagement, and a system of insight.

RELATIONSHIP TO STRATEGIC PLAN:

This report supports the Strategic Plan as follows:

- Effective, efficient and economic delivery of the Town's existing services

FINANCIAL IMPACT:

Total approved capital budget for the Town's Asset Management software is $1,150,000.

In 2018, the Asset Management Information System capital project was approved for $400,000 with funding from the Ontario Community Infrastructure Fund (OCIF). In 2020 the Asset Management Information System (AMIS) Implementation capital project was approved for $750,000 from the Technology Replacement Reserve and an operating impact of $170,000 was identified for 2022. As recommended, these projects will be combined into the 2020 AMIS Implementation capital project with a total budget of $1,150,000.

The following outlines the estimated costs (excluding HST):

Capital Project				
AMIS components:	ESRI Canada: City Works	Assetic: Assetic Predictor	FME Integration Platform: Spatial DNA	
Implementation of Complete solution:	$442,541	N/A	N/A	$442,541
Licensing (first year)	$71,470	$45,000	$15,600	$132,070
Hosting (yearly)	$26,000	$ N/A	$ N/A	$26,000
			Sub Total	$600,611
			10% Contingency	$60,000
			TOTAL:	$660,611
Operating Budget				
Maintenance and Support and Hosting for year 2022	$96,990 + $26,000	$55,000	$18,350	$196,340
Maintenance and Support and Hosting for year 3 (2023) and beyond	$126,660 + $26,000	$55,000	$20,750	$225,410

The operating budget impact for 2022 will be $196,340 (excluding HST) for hosting, maintenance and support of the AMIS. In year 3 (2023) the operating budget will be $225,410 and these annual costs are expected to increase each year thereafter.

The remaining budget funds will be utilized for potential resource backfilling to support the implementation of the system and hardware as required.

CONSULTATION:

Staff from ITS and Strategic Initiatives along with key individuals across the organization worked together to define our software requirements for Asset Management and investigate viable options. Staff reviewed software from a variety of municipalities. The Senior Manager of Purchasing and Risk Management facilitated the evaluation of the bids is in agreement with the award. The Treasurer was consulted on the financial impacts of this project.

PUBLIC ENGAGEMENT:

As this is an internal implementation and application, no public engagement is warranted.

SUSTAINABILITY IMPLICATIONS:

The Town is committed to implementing our Community Sustainability Strategy, Imagine Halton Hills. Doing so will lead to a higher quality of life.

The recommendation outlined in this report advances the Strategy's implementation and supports the Town's Low Carbon Resilience Framework to address climate change impacts through mitigation and adaptation to build a resilient community.

This report supports the Economic Prosperity and Environmental Health pillars of Sustainability and in summary the alignment of this report with the Community Sustainability Strategy is Good.

The AMIS project aligns with the Town's Strategic Plan and supports the priority areas:

- Fiscal and Corporate Management
- Climate Change and the environment

COMMUNICATIONS:

Purchasing staff will advise ESRI Canada of the purchase order and negotiate the contract subsequent to Council's approval of this report.

CONCLUSION:

As a long-term solution, it is recommended that the Town implement Esri Canada's proposed solution to integrate the necessary systems for the asset management information system (AMIS) for the Town. It is recommended that the Town proceeds with an acquisition of Esri-Cityworks, Assetic's Predictor and Spatial DNA.

Reviewed and Approved by,

Richard Cockfield, Director of Strategic Planning

Chris Mills, Acting Chief Administrative Officer