



CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Information Technology Division

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
General Manager's Office

PUBLIC WORKS DEPARTMENT
General Manager's Office

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	May 18, 2016
SUBJECT/REPORT NO:	Single-Source Address Information Management System Implementation (FCS16043 / PED16120 / PW16038) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	John Bacon (905) 546-2424 Ext. 5513 Philip D'Aurelio (905) 546-2424 Ext. 4267 Gerry Davis (905) 546-2424 Ext. 5639
SUBMITTED BY:	Mike Zegarac General Manager Finance and Corporate Services Department Jason Thorne General Manager Planning and Economic Development Department John Mater Acting General Manager Public Works Department
SIGNATURES:	

RECOMMENDATION

- (a) That the General Manager of Finance and Corporate Services be authorized to approve the single-source procurement, pursuant to Procurement Policy #11 – Non-competitive Procurements, for the initial implementation of the Address Information Management System (AIMS) to Angus Geosolutions Inc. (AGSI) for the estimated contract amount of \$1,204,000;
- (b) That the General Manager of Finance and Corporate Services be authorized to negotiate and enter into a contract and any ancillary documents required to give effect thereto with AGSI, in a form satisfactory to the City Solicitor;
- (c) That costs associated to implement the remaining functionality required for the Address Information Management System (AIMS) be incorporated into the 2017 and 2018 Capital Budget cycles.

EXECUTIVE SUMMARY

The City of Hamilton provides services that require municipal-based address, property and ownership information to be accurate. Access to accurate, reliable and standardized official address, property and ownership data is a necessity in delivering services to the citizens.

The Address Information Management System (AIMS) project was initiated to address the long-standing problem of the absence of a single authoritative repository for property and address information that is accessible to all City departments.

The Public Works, Planning and Economic Development and Corporate Services Departments, with support from the Information Technology Division of Corporate Services, are leading the AIMS project to deliver a corporate solution for address, property and ownership data. The AIMS project is governed by a Steering Committee representing the above departments. An AIMS Working Committee that is comprised of key stakeholders from across the organization has also been established to ensure input and collaboration on business needs and requirements.

The solution design work completed by Professional and Consultant Services Roster consultant firm of Angus Geosolutions Inc. (AGSI) has resulted in the development of a three year implementation plan for 2016 - 2018 with estimates of cost and completion timing. The Project Steering Committee has recommended proceeding with the 2016 implementation work using currently approved Capital funds.

AGSI has expertise in address and property information management and was engaged using the Roster to develop a solution design as well as a three year implementation plan (2016 – 2018).

This implementation plan is designed to have operational deliverables in each year:

- 2016 will deliver a single authoritative address and property information database with city wide business processes in place to ensure the integrity and sustainability of the database;
- 2017 will deliver the integration of address and property information to key systems within the City of Hamilton (i.e. Hansen, AMANDA, Vailtech and Lagan); and,
- 2018 will deliver the integration of address and property information to agencies external to the City (e.g. school boards, Ministry of Health, local utilities).

In order to manage the project costs, timeline and risks, the Steering Committee recommends seeking approval from Council requesting a single source procurement of the initial 2016 implementation with the Roster consultant firm of AGSI.

Alternatives for Consideration – See Page 7

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Implementation Estimated Costs (2016 – 2018):

Fiscal Year	Capital Cost Estimate	Operational Cost Estimate	Comments
2016	\$526,000	\$6,000	Capital and Operational funding approved
2017	\$553,000	\$70,000	Capital and Operational funding to be requested in the 2017 budget cycle
2018	\$125,000	\$70,000	Capital and Operational funding to be requested in the 2018 budget cycle

A request for capital funds of \$475,000 was approved for 2016. Combined with unspent capital funds from previous years there is a total of \$526,000 available for the initial implementation of the AIMS. The Operational Cost estimates consist of annual costs for server leases and vendor support costs.

The project team is reviewing utilizing reserve funds as a financing source to implement the remaining functionality required for the AIMS so that the levy capital requests in 2017 and 2018 may be limited. The Project Team will also be reviewing potential funding contributions from third parties. There is commitment from the following City divisions:

- Hamilton Water Division - \$165,000; and,
- Building Division – Approximately \$142,000 to be used specifically for the implementation portion affecting the AMANDA system that is vital to delivery of Ontario Building Code administration and enforcement services.

Both Capital and Operational Budget requests will be brought forward for Council approval in the 2017 and 2018 Budget cycles.

Staffing: There are no staffing implications.

Legal: N/A

HISTORICAL BACKGROUND

The City of Hamilton provides services that require accurate and reliable municipal-based address, property and ownership information.

The Address Information Management System (AIMS) project was initiated to address the long-standing problem of the absence of a single authoritative repository for property and address information that is accessible to all City departments.

The AIMS project will establish the requirements, business process ownership and implement a comprehensive information system to manage address, property and ownership data. The new system will benefit individual departments and the City of Hamilton as a whole through improved service delivery to citizens.

Having accurate and reliable address, property and ownership information will ensure:

- All City services and activities use this single authoritative source of property and address data for the City;
- All City applications will be integrated to this single authoritative source of property and address data for the City;
- Management of address information with ownership of data is defined improving the integrity and quality of the data and eliminate duplicate data entry;
- Business Processes are defined to manage data integrity for services between various departments; and,
- Improved accuracy of public notices, municipal asset records, supplementary tax bills, voter lists, building orders, legal notices to homeowners, 911 dispatch, waste collection service levels and contract costs, title searches, public access to transit

schedules, DARTS dispatch, and improved response to public concerns/complaints/issues through the Customer Call Centre.

The Public Works, Planning and Economic Development and Corporate Services Departments, with support from the Information Technology Division of the Corporate Services Department, are leading the AIMS project to deliver a corporate solution for address, property and ownership data. The AIMS project is governed by a Steering Committee representing the above-noted departments. An AIMS Working Committee that is comprised of key stakeholders from across the organization has also been established to ensure input and collaboration on business needs and requirements.

The AIMS project is a major undertaking as it not only requires a comprehensive technical solution but, more importantly, will result in major changes in the business processes that utilize property and address information.

In May 2015, the Steering Committee provided an Information Update (AIMS15001) to Council regarding the AIMS project status.

The requirements and solution design for the AIMS have been completed and there is business approval to proceed to the implementation phase. Solution design work has determined the estimated cost and completion timing of implementation.

The consultant firm of AGSI has expertise in address and property information management and was engaged using the Professional and Consultant Services Roster to develop a solution design as well as a three year implementation plan (2016 – 2018).

This implementation plan is designed to have operational deliverables in each year:

- 2016 will deliver a single authoritative address and property information database with city wide business processes in place to ensure the integrity and sustainability of the database;
- 2017 will deliver the integration of address and property information to key systems within the City of Hamilton (i.e. Hansen, AMANDA, Vailtech and Lagan); and,
- 2018 will deliver the integration of address and property information to agencies external to the City (e.g. school boards, Ministry of Health, local utilities).

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The Procurement Policy 5.3 requirement to issue a competitive bid requires Council approval to be waived in order to allow negotiations with Angus Geosolutions Inc. for the initial implementation of the Address Information Management System.

RELEVANT CONSULTATION

- Corporate Services Department - Financial Services Division, Procurement Section has provided input into this Report; and,
- AIMS Steering Committee / Executive Sponsor have been consulted in the preparation of this Report.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The AIMS Steering Committee is recommending a Single Source procurement option for the following reasons:

- Demonstrable skill sets and experience with similar successful projects (e.g. Regional Municipality of Halton) proven track record and subject matter experts in the area of address information management reducing risk of cost escalations;
- Quality of deliverables has been good, on time and on budget reducing risk of cost escalations. The design provided by the vendor addresses the business requirements and complies with IT standards and best practices;
- Through the contract, the vendor will be held accountable for the quality of their solution design and implementation. Requirements traceability has been developed to link the AIMS business requirements to the vendor design. This is to ensure that all requirements defined for the system are tested and validated throughout the implementation phase. If the testing identifies that business requirements are not met and / or system deficiencies exist, contract performance measures will be in place to hold back vendor payments until the issues have been satisfactorily resolved. Further, a warranty period will be in place to ensure the City is protected against costs to address post-implementation defects that may arise;
- Ensures continuity (lower change management cost) and enables team to continue momentum and maintain 2016 implementation schedule and current cost estimate. The current vendor has developed a high level of credibility and has the confidence of the steering committee and project team in terms of their ability to understand business needs and issues and to deliver the project; and,
- Competitive rates already obtained through the Professional and Consultant Services Roster process which is a fair and open competitive process.

ALTERNATIVES FOR CONSIDERATION

The alternative to the recommended approach is to conduct a competitive procurement process for the Implementation of AIMS.

SUBJECT: Single-Source Address Information Management System Implementation (FCS16043 / PED16120 / PW16038) (City Wide) (City Wide) - Page 7 of 8

Pros: Enables confirmation of competitive rates obtained through the Professional and Consultant Services Roster process for the required services.

Cons: Strong possibility that a successful bidder will not use existing designs or will alter the designs leading to longer timeline, higher cost and risk the design does not comply with IT standards and best practices.

The cost of change management must be factored in when going to competitive bid. That is, considerable upfront effort, time and cost must be expended by both the vendor and scarce business resources to re-validate and re-confirm requirements and design.

Financial Implications:

Another commercial vendor will not have a comprehensive understanding of the requirements and issues regarding address information management within the City. This comprehensive and demonstrated understanding was gained by the current vendor through numerous face to face meetings with the City where the consultant spent the time addressing the business process issues and requirements. The lack of a thorough understanding will likely lead to re-work and re-confirmation of requirements and design. This will have significant impacts on costs and timeline.

Staffing Implications:

Significant staff effort would be required to develop and evaluate a Request for Proposal. There is a high probability that additional staff time will be required to re-confirm requirements and support re-work on the solution.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #2

Values & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

- 2.1 Implement process to improve services, leverage technology and validate cost effectiveness and efficiencies across the Corporation.
- 2.2 Improve the city's approach to engaging and informing citizens and stakeholders.

Strategic Priority #3

Leadership & Governance

*WE work together to ensure we are a government that is respectful towards each other
and that the community has confidence and trust in.*

Strategic Objective

3.4 Enhance opportunities for administrative and operational efficiencies.

APPENDICES AND SCHEDULES ATTACHED

N/A