City of Hamilton
Report for Consideration

To:	Chair and Members General Issues Committee
Date:	May 21, 2025
Report No:	FCS25024
Subject/Title:	Hamilton Public Library Infrastructure Capital Request
Ward(s) Affected:	City Wide

Recommendations

1. That the $1.5 M capital funding request from the Hamilton Public Library (HPL) for IT infrastructure upgrades **BE APPROVED**;

2. That the funding for this capital project **BE PROVIDED** through a 50/50 cost-shared approach between the Hamilton Public Library Reserves (Reserve #106008) and the City's Unallocated Capital Reserve (Reserve #108020); and

3. That staff **BE DIRECTED** to coordinate with HPL to ensure the infrastructure upgrades align with the City's cyber security and digital infrastructure priorities.

Key Facts
- The purpose of Report FCS25024 is to secure funding for a previously omitted capital request of $1.5 M for IT infrastructure upgrades at HPL in the 2025 Tax Supported Budget.
- The Library's capital submission was omitted from the 2025 Budget submission.
- The upgrades are critical to completing the separation of HPL's systems from City IT infrastructure following the 2024 cyber event.
- Funding will be allocated through reserves and will not impact the 2025 Net Tax Levy.
- The request aligns with a Council motion from February 12, 2025, directing staff to work with HPL to develop a financing plan and report back in Q2.

Financial Considerations

The total estimated cost for the proposed capital work is $1.5 M. Staff is recommending that the funding be split evenly (50/50) between the Library Reserves and the City's Unallocated Capital Reserve. There will be no impact to the 2025 Net Tax Levy. Not funding the request would delay critical IT infrastructure replacements and potentially increase risks to service delivery and data security.

Background

On February 12, 2025, Council adopted a motion (Item 7.11(f)) that acknowledged the omission of the $1.5 M in HPL capital funding from the 2025 Tax Budget and directed staff to develop a funding strategy using reserves and report back in Q2, 2025. The request was also outlined in HPL's January 28, 2025 budget presentation (Appendix "B" to Report FCS25024) and further supported in the letter dated February 5, 2025, from the Chief Librarian (Appendix "C" to Report FCS25024).

Analysis

Following the cyber incident in 2024, HPL initiated efforts to separate its network from the City's, mitigating the risk and impacts of any potential future attacks. With the assistance of Hamilton Community Enterprise (HCE) Telecom Inc., HPL has already deployed its own enterprise firewall. However, further investments are required to:

- Replace aging network switches and routers
- Upgrade Wi-Fi infrastructure to meet current standards (Wi-Fi 5/6E)
- Replace server hardware nearing end-of-support
- Install a tiered backup system to improve data resilience

The total projected costs across 2025 and 2026 are $1.5 M. The Library has committed to contributing from its own reserves (approximately $4 M available) and requests City support to ensure timely delivery of these upgrades.

To support this acceleration, HPL has submitted a capital business case (Appendix "A" to Report FCS25024) requesting $1.5 M in funding, broken down as follows:

Item	Schedule	Estimated Cost
Network Switch & Router Replacement	2025-27	$950,000
Wi-Fi Upgrade	2025-26	$140,000
Server Hardware Upgrade	2025	$150,000
Tiered Data Backup Solution	2026	$120,000
Contingency (9%)		$140,000
Total		$1,500,000

Alternatives

Not funding the request in 2025 would delay critical IT infrastructure replacements and potentially increase risks to service delivery and data security.

Relationship to Council Strategic Priorities

Safe & Thriving Neighbourhoods

The upgraded IT infrastructure enables libraries to continue serving as vital community hubs, by supporting access to technology, programming and study spaces in public facilities.

Responsiveness & Transparency

By advancing secure and modern digital infrastructure, this project supports efforts to modernize City systems, including implementation of the Digital Strategy and improvements in cyber security, network resilience and public service delivery.

Previous Reports Submitted

None

Consultation

- Paul Takala, CEO/Chief Librarian, Hamilton Public Library
- Cyrus Tehrani, Interim Chief Information Officer, City of Hamilton

Appendices and Schedules Attached

Appendix "A" to Report FCS25024 – Library IT Infrastructure Business Plan
Appendix "B" to Report FCS25024 – 2025 Hamilton Public Library Capital Budget Submission
Appendix "C" to Report FCS25024 – Hamilton Public Library CEO Letter Requesting Capital Review

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