

TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2015 June 24

FROM: DIRECTOR FINANCE

FILE: 5220-05

SUBJECT: CONTRACT AWARD FOR SOFTWARE AND IMPLEMENTATION SERVICES FOR THE LICENCES, INSPECTIONS AND PERMITS PROGRAM

PURPOSE: To obtain Council approval to award a contract to Tyler Technologies for implementation of a new licences, inspections and permits system.

RECOMMENDATION

1. **THAT** Financial Management Committee recommend Council approve a contract award to Tyler Technologies Inc. for the purchase of EnerGov software and Phase 1 implementation services at an estimated cost of \$3,356,612, including GST in the amount of \$159,838.68, as outlined in this report.

REPORT

1.0 BACKGROUND

The issuance of permits and business licences at the City generated \$15.8M annual in revenue in 2014 (\$11M for Buildings services, \$2.1M for Planning services and \$2.7M for issuance of Licences). This represents the processing of approximately 33,000 cases, 40,000 referrals, and 50,000 inspections annually. Tracking, documentation and receipting of development cost charges, amenity funds, contributed infrastructure assets, external fees and future works funds contribute an additional \$48.6M to City revenues. The existing Permit*Plan system is almost 20 years old and runs on hardware and software that is no longer supported by the original vendor. This is a significant technical and business risk for the City in terms of the Information Technology department's ability to continue to maintain this application. An operational failure of the existing software, which is at the end of its service life, would result in significant processing delays for these key City services.

The replacement system will allow the City to adapt to changing business requirements. Specific improved functionality will allow for the updating and addition of new cases, accommodation of automated workflow and approvals, mobile inspections or permit/report issuance in the field. In addition, the new system will allow for the tracking of development activities and contributions to City infrastructure. These business processes which are currently manually recorded will be incorporated into the new system to provide timely information and improved business functionality for the City across departments and approval processes. In summary, the proposed

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solution provides the opportunity to include needed functionality to improve efficiencies and to provide better services for our citizens and clients.

2.0 PROPOSED SOLUTION

In response to a Request for Proposals (RFP) for a replacement system, three proposals were received by the closing time on 2014 May 21. The Request for Proposals followed an earlier extensive Request for Information process which included a shortlisting of qualified proponents who conducted product demonstrations comprising functional and technical briefings on their proposed solutions. Proponents to the RFP were evaluated on how well the functionality of their respective products met the City's business requirements, their ability to integrate with the City's existing technical infrastructure and business applications environments, their experience with implementations of similar size and scope, and the financial stability of their organizations. City staff selected Tyler Technologies as the lead proponent with its EnerGov software solution. Tyler Technologies then went through a proof of concept stage to highlight their product's functionality using City provided data and business scenarios, and finally a series of joint design workshops with staff from the City and Tyler Technologies to review additional technical components of the proposed solution.

This project will be divided into three phases. The work of Phase 1 is illustrated in the following diagram.



Replacement of existing Permit*Plan functionality

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Phase 1 Implementation Deliverables will:

- automate the current paper-based process in the legacy system
- ensure basic licence, inspection and permit processes are up and running
- integrate related engineering functions into the land development process
- display land parcels and property information through the City's mapping (GIS) system
- leverage the existing property and owner information in the City's financial (SAP) system
- use existing financials (SAP) and processes for cash handling and notifications

Value-Added – Mobile Inspections:

- includes investigation of Tyler Mobile Inspections functionality (delivered as part of core Tyler package), and if feasible within the timeframe and budget, these will be delivered in Phase 1. Benefits of mobile inspections include enhanced citizen service, increased internal efficiency and reduced carbon footprint.

3.0 FUNDING

The work of this contract includes software licences, professional services to implement the Phase 1 solution with respective training services, go-live support services, travel and disbursements. Estimated Phase 1 costs are \$3,356,612; annual operating licensing costs are estimated to be \$269,060. Additional reports will be submitted to Council prior to initiation of future phases.

Bylaw funding for this capital project was previously approved by Council and this project is included in the 2015 – 2019 Financial Plan. The Chief Information Officer and the Director Planning and Building concur with this recommendation.

4.0 RECOMMENDATION

The Financial Management Committee recommend Council approve a contract award to Tyler Technologies Inc. for the purchase of EnerGov software and Phase 1 implementation services at an estimated cost of \$3,356,612, including GST in the amount of \$159,838.68, as outlined in this report.



Denise Jorgenson
DIRECTOR FINANCE

DJ:GC /ml

Copied to: City Manager
Deputy City Managers (2)
Director Planning and Building

Chief Information Officer
City Clerk