

FINANCIAL MANAGEMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

**SUBJECT: 2016 INFORMATION TECHNOLOGY CAPITAL PROGRAM FOR
BUSINESS APPLICATIONS**

RECOMMENDATIONS:

1. THAT Council approve the capital expenditure of \$1,764,750 for the 2016 enterprise and departmental applications programs, as outlined in this report.
2. THAT Council authorize staff to bring down a bylaw in the amount of \$1,847,215 (inclusive of GST of \$82,465) from Capital Reserves to finance the purchase.

REPORT

The Financial Management Committee, at its meeting held on 2016 February 25, received and adopted the attached report seeking Council's project approval and funding bylaw for implementation of the 2016 Business Applications Programs.

Respectfully submitted,

Councillor D. Johnston
Chair

Councillor C. Jordan
Vice Chair

Councillor P. McDonell
Member

Copied to:	City Manager Deputy City Managers Chief Information Officer Director Finance City Solicitor
------------	---------------------------------------------------------------------------------------------------------

TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2016 February 11

FROM: CHIEF INFORMATION OFFICER

FILE: 6500-20

SUBJECT: 2016 INFORMATION TECHNOLOGY CAPITAL PROGRAM FOR
BUSINESS APPLICATIONS

PURPOSE: To request project approval and funding bylaw for implementation of the 2016 Business Applications Program.

RECOMMENDATIONS:

1. **THAT** Financial Management Committee recommend Council approve the capital expenditure of \$1,764,750 for the 2016 enterprise and departmental applications programs as outlined in this report.
2. **THAT** Financial Management Committee recommend Council authorize staff to bring down a bylaw in the amount of \$1,847,215 (inclusive of GST of \$82,465) from Capital Reserves to finance the purchase.

REPORT**1.0 BACKGROUND**

The 2016 Provisional Capital Program includes a provision for the annual information technology capital program. This program facilitates the replacement, extension and upgrading of enterprise and departmental applications software in order to enhance service to the public and improve the efficiency of internal business processes.

Funding requests reflect the anticipated scope of these projects in 2016: some projects are close to completion while others are multi-year programs. Cost estimates associated with these projects are also subject to revision following formal requests for proposal and detailed blueprinting. System enhancements may also be accommodated within the overall funding envelope during the course of 2016.

1.1 Enterprise and Departmental Business Applications

The City develops an annual plan to replace and upgrade business applications for the purposes of enhancing citizen service through quicker and easier access to City information and services online, and to ensure internal systems are robust, sustainable and continue to evolve to meet the changing needs of the business.

The initiatives, which comprise the proposed 2016 program, have been selected based on input from City departments and prioritized based on criteria established by the City's IT Executive Steering Committee which consists of senior staff from all user departments.

The 2016 Information Technology program includes the following key initiatives:

- Licence, Inspections and Permits system replacement - Phase 1
- Fuel Management system upgrade – Phase 1
- Corporate Point of Sale system
- Human Resources, Payroll and Benefits systems
- Web Portal and Online City Services development
- Vehicle Maintenance system replacement project
- Construction Project Management system
- SAP Service Pack implementation (annual upgrade)
- Asset Capitalization project
- Systems Enhancements.

Additional information about the IT projects for 2016, including cost estimates, is included in Appendix 1.

The Licence, Inspections and Permits system replacement project was approved by Council on May 19, 2015, therefore, it is not included in the approval and funding bylaw request for this report. The cost of the Treasury Management replacement project is also excluded from this funding request and will be covered by a separate report.

2.0 RECOMMENDATIONS

The 2016 information technology programs are selected based on business and public service needs as identified and reviewed by the inter-department staff working group and steering committee. The objective of the 2016 program is to implement exiting and new initiatives that will enhance service to the general public and City departments.

To: Chair and Members Financial Management Committee
From: Chief Information Officer
Re: 2016 Information Technology Capital Program for Business Applications
2016 February 11Page 3

It is recommended that the Financial Management Committee recommend Council approve the capital expenditure of \$1,764,750 for the 2016 business applications programs, and for the Financial Management Committee to recommend Council authorize staff to bring down a bylaw in the amount of \$1,847,215 (inclusive of GST of \$82,465) from Capital Reserves to finance the purchase as outlined in this report.

A handwritten signature in black ink, appearing to read "Shari Wallace", with a horizontal line underneath the name.

Shari Wallace
CHIEF INFORMATION OFFICER

SW:SW/bk

Copied to: City Manager
Deputy City Managers
Director Finance
City Solicitor

Appendix 1 - Business Solutions & Support Projects for 2016

Key Projects	2016 Request ¹⁾	Description
Fuel Management System (Phase 1 – Works Yard)	\$72,800	This project started in 2015 and will update the City's aging fuel management system. It will deliver an automated, secure, auditable fuel dispensing and monitoring system, including enhanced reporting and improved management controls.
Corporate Point of Sale (POS)	\$133,750	This project started in 2015 and continues the implementation of a new third-party POS system which offers the latest technology and capabilities and will assist the City in maintaining PCI compliance.
Human Resources, Payroll and Benefits systems	\$386,300	The Managers' Self-Service project will enable City staff to perform key functions online: e.g., submit and approve leave applications, view team calendars and approve or reject timecards. This is the 2016 phase of this project: the 2015 portion covered delivery of online personal profiles, benefits overview, vacation allowances and the ability to view T4 and TD1 forms online. The Qualification Catalog project will build an enterprise qualifications catalogue to enable automated tracking and reporting of formal education, professional designations and certificates. The City has a regulatory requirement for certain positions to ensure that staff acquire and maintain appropriate certification.
Web Portal and Online City Services development	\$246,100	An ongoing program continuing from 2015: includes a range of smaller initiatives such as the revamp of City web pages to also display properly on mobile devices (~50% of traffic to the City's web pages is now via a mobile device rather than a static PC); an upgrade to some City web sites to drive 'views' and revenues (e.g., food services websites and golf tee-times).

¹ Funding requests reflect the anticipated scope of these projects in 2016: some projects are close to completion while others are multi-year programs.

To: Chair and Members Financial Management Committee
 From: Chief Information Officer
 Re: 2016 Information Technology Capital Program for Business Applications
 2016 February 11Page 5

Key Projects	2016 Request ¹⁾	Description
Vehicle Maintenance Project	\$214,000	Retirement of current legacy fleet management system and replacement with SAP functionality, including asset lifecycle management, work management and financial management of vehicles and equipment.
Construction Project Management System	\$224,700	Implementation of a project portfolio management tool to help the Engineering Projects group deliver, track and report on the program of capital works undertaken annually by the City.
SAP Service Pack implementation	\$304,950	Annual initiative to apply the latest SAP service pack which contains critical system updates, legislative and regulatory changes, enhancements and new functionality required by City departments.
Asset Capitalization project	\$112,600	Multi-year project to implement a capital asset lifecycle management process within SAP.
Systems Enhancements	\$69,550	A range of minor enhancements to enterprise and department systems to enhance functionality and address emerging business needs.
SUB-TOTAL	\$1,764,750	<i>Note: only PST is included in this number.</i>